

LOMBARD

The Commons bares its teeth

BY IAN DAVIDSON

Chairman: Order, order. The committee would like to thank the Chief Secretary and his officials for attending our session...

Restriction

Member: Does the Chief Secretary find that debates in the House have a restrictive effect on his negotiating freedom in the Council of Ministers?

Chief Secretary: Oh, not too restrictive, I think. Chairman: Would the Chief Secretary care to comment on the fact that next year's draft budget represents an increase of some 22.23 per cent on the previous budget?

Chief Secretary: You must remember that four fifths or more of the budget is accounted for by what are called obligatory items of expenditure which are the consequences of policy decisions taken by the Council of Ministers under obligations of the Rome Treaty.

TV Radio

- BBC 1 7.45 Max Bygraves Says I Wanna Tell You A Story. 8.30 Mr. Big. 9.00 News, weather. 9.25 The Frost Programme. 9.55 Omnibus. 11.00 Storyville. Alec McCowen tells the story of the 'Wall' by H. G. Wells. 11.40-11.45 Weather, regional news. All Regions as BBC 1 except at the following times: 5.55 Nationwide. 6.45-6.50 p.m. Crystal Tipps and Alistair. 4.50-5.10 Y. Trent Speech. 5.55-6.20 Wales To.

F.T. CROSSWORD PUZZLE No. 3,430

Crossword puzzle grid with numbers 1-30 indicating starting positions for clues.

- ACROSS 1 Instruction received when one is not so busy? (6) 2 Spray article given to niggard (8) 3 Vehement name appearing in purple (7) 4 I will come to the point in complaint (7) 5 Small daughter makes unwanted growth (4) 6 Sailor one copies is an impudent fellow (10) 7 Read about me and be bored (6) 8 Animal always allowed outside (7) 9 Heavier, about a pound, but not so sharp (7) 10 Models changing but not very often (6) 11 Record left with marksman in denial (10) 12 Permit quiet foal to proceed (4) 13 Reassigned with a second to spare but prevailed (7) 14 Flashy airman taking sea-bath (7) 15 Fruit for a pompous middle-headed fellow (8) 16 Scare right inside box (6) 17 Energetic type has changed from red to brown (4+1) 18 Play defensive cricket but it could be a boundary (9) 19 King people for a size (41)

RACING BY DOMINIC WIGAN

Gay Pariso for Sangster

MR ROBERT SANGSTER, whose dual classic winner The Mizstral could well be the subject of a seven or eight million dollar Canadian bid... He is able to maintain his winning sequence in the King George VI and Queen Elizabeth Stakes at Ascot in nine days, will be turning his thoughts to Redcar's modest Leahtholm Stakes at around 4.00 this afternoon.

SALEROOM BY ANTONY THORNCROFT

Record prices for Old Masters

SOME EXCEPTIONAL prices were paid at a Sotheby's auction of Old Master paintings yesterday. Agnews, the London dealers, gave £150,000, plus the 10 per cent buyers' premium, for a portrait of the Fifth Duke of Albuquerque by Moroni.

APPOINTMENTS

Divisional changes at Delta Metal Company

DELTA METAL COMPANY Division, Mr. P. D. Chinn, who manager. He was secondly appointed technical director of the systems assessment and software executive director in 1968. In the research has recently rejoined the company, becomes divisional company, after five years manager of the new Airborne Iberia as director of its relations.

HOME CONTRACTS

NCB awards £9.3 equipment orders

NATIONAL COAL BOARD contract worth more than £9.3m. have been awarded to 15 contracts in respect of wire braided hose, mild steel plates, and fittings 25 RAPIDEX systems in of when installation of the ne hose, mild steel plates, and fittings is completed later this year.

Advertisement for FT Guide to Expenses for the International Businessman. Includes text: 'If you travel abroad on business... compile budgets for international business travel... approve expenditure on foreign travel... keep cost-conscious with the 1977 FT Guide to Expenses for the International Businessman'.

Radio and TV listings for various regions including London, Westward, Yorkshire, and Capital Radio. Includes times and program names.

Henry VI Part I by B. A. YOUNG

Current thinking no longer believes that Henry VI was written by Nashe, Greene, Marlowe or John Barton, and the Royal Shakespeare Company now gives us Shakespeare's own text in its full three parts.

The parts, together with Richard III, clearly make one long serial story, but so much of incidental interest takes place that the overall shape of the story is not easy to follow from any one instalment. In Part I we see little of the King; an hour and a half pass before he comes on to the stage. Alan Howard, moving down a generation,

makes him a vacillating creature free of guile. The battle-scenes are somewhat scantily populated, but director Terry Hands' aim is not to create a realistic illusion but to conjure up an effect that will bring the battles into our minds. The scene where Talbot and his son are killed is as heroic as can be, though in the circle of guns and catapults there are never more than about a dozen in the conflict.

Talbot is played by David Swift—not a weak and writhed shrimp—as the Countess of Auvergne calls him, but short and bald and as martial as any bigger man could make him. Joan is seen by Charlotte Corbett well at first as a giggling ball of wit, and then as a girl if ever I heard one. She glances less as she matures in warfare, but in her captivity she is inclined to peals of hysterical laughter. Shakespeare's Joan is not Shaw's but I think she has more intellect than this, even if it is directed by demons.

Mr. Hands is less content with his simple stage than in Henry V, and introduces the iron bridge that Stratford has used since the bare plank stage is seldom free of guns. The battle-scenes are somewhat scantily populated, but director Terry Hands' aim is not to create a realistic illusion but to conjure up an effect that will bring the battles into our minds.



Peter McNery, Oliver Ford-Davies, Alan Howard and Helen Mirren in the Royal Shakespeare Company's 'Henry VI Part I' which opened last night at Stratford upon Avon

The Entertainment Guide is on Page 17

Romeo and Juliet to give him a gallery. This enables him to mount an immensely vast production, scene cutting from scene-long-shot to close-up, as in a film scenario. There are fewer extremes of emotion than in Henry V, neither of heroics nor of comedy, but the huge cast of dukes, earls and gentlemen contains some strong lines of characterisation that will no doubt be built up as the play goes on.

Sadier's Wells Theatre

Iolanthe by ARTHUR JACOBS

"Paradiddle, paradiddle, to-lol-lay" is the only possible comment on the implication that this "new" Iolanthe constitutes the first scenic alteration in the D'Oyly Carte company's version since the birth of the operetta in 1882. There has been a whole series of acknowledged changes in design, three of them between 1919 and 1929.

burlesqued romantic ballad at the end was a happy addition, but not the way in which Private Willis' "fairy" wings could be seen before their proper moment.

With the straightest faces in the world the D'Oyly Carte troupe cannot get rid of the am con conviction that the management is correct in adhering

literally to the old words and music. The concentration on fidelity and tradition, however, and the arguments about departure from these, obscure the really pressing problem of the D'Oyly Carte productions—how to improve musical standards. The solo singing in this Iolanthe was markedly better than in the previous weeks' *Princess of Denmark*.



Patricia Leonard and John Reed

The residual weakness of the orchestra remains, however, and was compounded on Monday by some odd lapses in the chorus. The contrast with the company's recordings— which invariably engage the Royal Philharmonic or some other major orchestra—is all too marked. Royston Nash's bandmasterish conducting, deficient both in large scale and in phrase-to-phrase flexibility, gives little hope of a general musical improvement.

Record review

Britten—early and late

by RONALD CRICHTON

Britten Phaedra. Sacred and Profane. Prelude and Fugue for Strings. Baker/ECO/Bedford/Britten, Wilby Consort/Pears. Decca SXL 6847, £3.50. Cassette KSCX 6847, £3.75

Britten Folk Song arrangements. Pears, Ellis. Decca SXL 6793, £3.50

Duparc Mélodies. Krusyen, Lee. Telefunken AS 642113, £2.99

Chumann Lieder. Krusyen, Lee. 2 records in sleeve. Telefunken EK 648097, £3.95

Ballads and Sacred Songs Bailey, Parsons. Olsson-Lyre DSO 20, £3.90, Cassette KDSLC 20, £3.75

The Britten record of comparatively early and very late music will be snatched up above all for Phaedra, the solo cantata written for Janet Baker and first heard at last year's Aldeburgh Festival.

circumstance a decade or so early. Phaedra has an extraordinarily definite atmosphere of sunlight so dazzling that it illuminates mental states as well as people and things. By the simplest means—rocking chords and rising and falling vocal lines—Britten tells us that Phaedra's guilty mind is on the verge of giving way and also that it won't snap before she has put an end to her sufferings. This is conveyed, with modest accompaniment for strings, percussion and harpichord, in a very personal adaptation of the Baroque cantata. Except that she surprisingly refers to Theseus's capital as "brilliant Tathens," Dame Janet's singing and characterisation (insofar as one can separate them) are marvellous of control and understanding.

Earlier recordings of French song by Bernard Krusyen and Noël Lee have earned golden opinions both for the quality of the singer's voice (a harkness as silken as Souzy in his prime) and for the exemplary style of both artists. Fauré, Debussy and

St. John's, Downshire Hill

National Trust concert

by RONALD CRICHTON

"St. John's, Downshire Hill is remarkable, attractive, and deserves to be cherished," writes Letjeman of the little Hampstead church at the junction of Teas Grove and Downshire Hill, with its garden among the wreny cottages, and Gothic spires. The church is now the one of a series of recitals, coming Trevor Pinnock's English concert, young artists who play at the National Trust and performers who previously found a home at the Victoria and Albert Museum.

Cole's Scarlatti group was scintillating and rhythmical without overdoing the Iberian pepper. Mr. Schmidt's unaccompanied Rega Suite (G major) made one hope that more young players will discover for themselves the Rega's chamber music is not all inflated and portentous.

The main work for guitar was Berkeley's Sonata, a work of typically quiet distinction and fine workmanship which has no need of the modest diminutive of the first movement is simply proportioned. Mr. Waters is a sympathetic player, inclined to allow the pulse to slacken in slow or moderate speeds his Spanish pieces dawdled. But each of the three artists had something to give and each played something worth hearing. Even if the box-pews are mighty hard, the church is delightful. The joint series deserves every encouragement.

clear of texture, tone and colour. The ball was uncomformably muggy, which may have caused the increasing amount of flawed intonation of the first violinist, Peter Cropper. When the lyrical energy of the music has been released with disciplined adventurousness, saws are forgotten. The concert had begun with the Astor Quartet, Op.13 no. 6—Rasumovsky Quartet (Op.39 no.2), the gathering spring of scherzo rhythms became almost beetle, with a lighter touch for and pleasingly. Here and elsewhere, because the style of performance focused so vitally on the dialectic of the music, it was a pity that first and second violins were seating alongside rather than opposite, one another—much of Beethoven's intended "antiphonal" illumination was thus slightly effaced.

Brighton Festival

Muldowney's Arcadia by DOMINIC GILL

Not so very many years ago, Brighton was the venue for one of our most interesting and adventurous summer festivals of contemporary music. From a variety of reasons—economic, political and musical—and some would say, for reasons also of plain coyness, British shortsightedness—that time is past. Brighton now offers predominantly the same (similar festival menu of music as the Cheltenham-Edinburgh-London circuit, spiced with one or two novelties, and a sprinkling of (often admirable) items of local interest. But even if the new-musical focus, and the excitement have largely gone, the festival this year made a tentative bow to nostalgia by commissioning just one substantial work from a young composer, Dominic Muldowney (Brighton's jubilee theme this season is "The World of Under 25").

Muldowney's Arcadia, scored for string and wind triad with piano, vibraphone and tape, was the second work of a chamber programme of Mozart, Mendelssohn, and Walton given by the Lontano Ensemble under John Carewe. Muldowney's rustles are

both capricious and puerile: as the musicians trilled their instruments, a stered voice on tape murmured "entr'acte," but before we could leave our seats began to speak aloud a list of dates and numbers—1914, 1937 (Did one detect a sudden, faint swirl of foxglove?) 1957, 1967 (a Beach Boy's riff?) 50, 17, 72

study in instrumental textures, shaped by some nice, formal conversations between piano and vibes. As the pace quickened the temperature of the music rose, and its consistency thickened, shouting from the balcony of the Dome while the players were creating a sophisticated, ironic comedy, he is all charm and image—as he does in Elbe arduous. On any terms this is a Syncopeation, and which could most attractive, albeit performable him a dangerous, ideal once, and must be seen at the Lescaut). As the rustic character Opera before, too long, who wins Lise's heart, he stays.

Book Reviews will appear in to-morrow's paper

Navel fit Krusyen like a glove. Duparc, whose scale is often larger and who is nearer in spirit to the German song writers, suits him slightly less well, but still the grave beauty of the tone (a little veiled now) and fine musicianship see him through—the result, though not effortless, is richly exciting.

Most of Duparc's mighty handful of songs were written for high voice and must be transposed for mezzo or baritone a tone or a minor third down. There is a loss of brilliance yet the folds of velvet melancholy lower down can be gorgeous and are so here. Noël Lee, a pianist of wide sympathies, gives Krusyen admirable support except in "Extase" where he is heavy—not a question of loudness but of failing to aerate the slow-moving textures with the tiny breathing points Gerald Moore, for example, supplies. "Au Pays où se fait la guerre," inescapably a woman's song, is acceptably done by Danielle Gallaud.

These are French Valois recordings on the Telefunken label, marketed here by Selecta. For the Duparc songs there is a word sheet (one verse of "Testament" missing), for the Schumann, nothing. Fortunately Erud Sams's The Songs of Robert Schumann includes English versions. His book is an invaluable guide. He is severe on late Schumann, so one can indulge in the luxury of occasional disagreement—Schumann tired and uninspired still wrote so naturally for voice and piano that these artists (though sometimes Krusyen's tone is badly strained) have little difficulty in persuading one to a kinder view.

To judge from this Olsson-Lyre collection of Ballads and Sacred Songs ("sacred" in the Victorian parlance) sense Norman Bailey should have an enviable recording career in directions which might not have been foreseen. Except on the second, "sacred" side, when the hollowness of music and words tempts not a question of loudness but of failing to aerate the slow-moving textures with the tiny breathing points Gerald Moore, for example, supplies. "Au Pays où se fait la guerre," inescapably a woman's song, is acceptably done by Danielle Gallaud.

The same artists offer a feast of Schumann on two records. Perhaps "feast" is too big a word for a selection including a mere sprinkling from Schumann's "great song year" of 1840 with a mass from the later

LAREDO S/A INDUSTRIA E COMERCIO

Agricultural Machinery and Implements

Powered by the tractor PTO when connected to its hydraulic three points, or by stationary electric, petrol or diesel engines. Blends & Cereal Threshers, Corn Shellers, Grass Choppers & Hammer Mills and Topping Triflers for use on stony, robust, easy to operate and service, these are the right implements mainly for properties where full mechanization is limited by the size of land under own topography. Unmatched for developing nations which need badly to improve their agricultural productivity without expenditure and modern machinery. Dealers are asked to apply for leaflets and price lists.

FACTORY & MAIN OFFICE: RUA 1º DE AGOSTO 11-67
17.100 BAURU (SP) BRAZIL. TELEX PUBLIC BOOTH 142158

Have your car made on page 21

Wigmore Hall

Lindsay Quartet

by MAX LOPPERT

Tuesday night's account of the Beethoven with four young players of notable stamina, extreme contrasts play a heightened part in the unfolding of the discourse. Sforzandos bite, tremolandos shudder, trills without the ferocious cumulating magnificence of the mighty fugue, the Lindsay's performance was by no means lacking in the sense of challenge, of interpretative challenges faced and mastered with resounding success.

The exception that could prove to be your rule.

THE FAMOUS GROUSE
FINEST SCOTCH WHISKY
PURE SCOTCH WHISKIES BLENDED & BOTTLED BY
Matthew Gloag & Son Ltd.,
Perth, Scotland
ESTABLISHED IN 1800 AT THE SAME ADDRESS
OF SCOTLAND 70° PROOF

John Wood 502

EUROPEAN NEWS

EEC-U.S. moves on international companies

By Reginald Dale MEMBERS OF THE European Parliament and the U.S. House of Representatives have agreed to press for the adoption of tough new international rules to control multinational corporations by their respective governments.

The decision was announced in London yesterday at the end of the days of regular consultations between delegations from the two bodies. Mr. Sam Gibbons, a Florida Democrat, said he would introduce proposals to Congress, as soon as was practical, reflecting the gist of a draft code of conduct for multi-nationals drawn up by the two delegations. European MPs are to raise the issue in their Parliament with the aim of putting pressure on the EEC Commission to come up with similar proposals.

Turkish general denies army plans to intervene

BY METIN MUNIR

ANKARA, July 13.

GENERAL Semih Sancar, Turkey's top active general, categorically denied today that the armed forces have any intention of intervening in politics. Mr. Sancar, chief of general staff, in a written statement released here today, said the Turkish republic and democracy will never favour adventures and always oppose illegal activities.

The Turkish general forces which are the sole guarantors of the Turkish republic and democracy will never favour adventures and always oppose illegal activities. Mr. Sancar, chief of general staff, in a written statement released here today, said the Turkish republic and democracy will never favour adventures and always oppose illegal activities.

Spanish Parliament holds first session

By Roger Matthews

MADRID, July 13.

THE NEWLY-ELECTED Spanish Cortes (Parliament) held its first working session today to prepare the way for the official opening, to be performed by King Juan Carlos on July 22.

Despite the technical nature of the agenda it was an emotional occasion for many of the deputies, who at last had the visual evidence of the arrival of a democratically elected system of Government. The national news agency, Cia, proudly reported that almost all the deputies were wearing ties and that Prime Minister Adolfo Suarez had shaken the hand of Sr. Delors, the 81-year-old President of the Communist Party, who only a few weeks ago returned from exile in the Soviet Union.

All-party support likely in Italy for tough line against terrorist

BY DOMINICK J. COYLE

ROME, July 13

ONE OF THE first concrete developments from the all-party agreement on policy, the Italian "programmatic government" which is being debated in parliament here this week, is expected to involve tighter measures against increasing urban guerrilla activities.

There has been an escalation of such violence recently, with an increase in the shooting in the last of prominent political and other personalities, and with such extremist groups as the Armed Proletarian Nuclei and the Red Brigades threatening "all-out war" against the state and the political system.

The all-party agreement — essentially between the ruling minority Christian Democrat Government and the powerful Communist Party, but supported by the Socialists, Social Democrats, Liberals and Republicans — should allow the Andreotti Government to move quickly on reinforcing the power and authority of the police.

Portugal plan condemned by industry confederation

BY DIANA SMITH

LISBON, July 13.

THE PORTUGUESE Confederation of Industry (CIP) has joined the chorus of criticism of the Socialist government's 1977-80 plan, due to be debated in parliament for three days, beginning tomorrow.

Dutch report opposes site for LNG plant

By Michael van Or

AMSTERDAM, July 13.

A CONFIDENTIAL report by the Dutch state-subsidised research organisation TNO has said the proposed construction of a Liquefied Natural Gas (LNG) plant on the reclaimed Maasvlakte near Rotterdam involves serious safety risks for the whole area.

THE SWEDISH RECESSION

Production slides, prices soar

BY OUR OWN CORRESPONDENT

STOCKHOLM, July 13

SWEDISH industrial production continued to decline in the second quarter of this year, while food prices grew faster than at any time since the period of the Korean War, according to two sobering reports on Swedish economic developments.

The Economic Research Institute's latest business opinion survey shows that the fall in industrial output is likely to continue into the third quarter as companies try to reduce their heavy stocks of unsold finished goods. Many expect an increase in export orders during the third quarter, but to be offset by a corresponding fall in domestic demand.

The companies may set too optimistic in the second-half development. Action is urgently needed to bring down Swedish companies' costs, he adds. The rise in prices will be difficult to do this, wage and salary rises in Swedish food prices rose 13.2 per cent during the six months—roughly £26.6 a month for a with two children, the and Cartel Board report. The farm price fell which came into effect on 1 will keep prices rising. cost-of-living index has risen by 8.8 per cent this year, and can scarcely fall to the 8.5 per cent limit under the central payment will trigger off a 1 per cent increase in for 15m private workers.

Crisis of faith in the system

BY WILLIAM DULLFORCE IN STOCKHOLM

THE SWEDISH moved into their boats and summer cottages as usual this month but with less than their usual confidence in the future. Some will have extended holidays as mills and factories take the opportunity to hold back production, hoping to diminish stocks of unsold goods.

The "change of direction" in Swedish society which Mr. Falldin and his partners promised is still no more than incipient in committees studying ways of easing the grip of the bureaucracy and of decentralising power, and in a few relief

question, but it is becoming increasingly difficult for well as for the opposition trade unions, to deny his tion of Sweden's economic situation. By of this year the foreign trade exceeded Kr.30bn, and has been borrowed over two years, as Mr. Bohman out, not to build up pro but to keep up consumption. The unit costs of SWI industry must be restored. quity of party with co industries abroad. Labor are the highest in the double the British, for If the Government came up its courage to leave it adjustment downward the D-mark within the pean currency "snake" strong possibility in the But such an adjustment have to be complemented cut in companies' charges.



Mr. Thorbjörn Fälldin

During the first quarter GNP sank by 3 per cent, compared with a 1.5 per cent rise in 1976. This brought output back to the level of spring, 1974. Over the ensuing three years real disposable incomes had grown by 13 per cent and this year's pay settlement for the private sector workers is unlikely to improve living standards. By the end of June the AERSVÄRDEN general bourse index had fallen 22 per cent from its peak in May, 1976, and the share values of some of Sweden's most prestigious companies had been halved.

The Social Democrats, who governed Sweden for 44 years until last October, had built up a planning and labour market system designed to cope with the economic fluctuations, to which that line he does not carry his moderate (conservative) and faith in the system, which had produced a steadily rising living standard through the 1960s and also gave substantial wage real increases even during the first two years of the present downturn, delays most Swedish recognition that the present recession could be different and that they like the rest of Western Europe may be facing the worst economic situation since the 1930s.

The argument which Mr. Dahmén is not alone in making would seem to be really made to measure for the non-Socialist government for a return to the true economy operated to the under the Social Democrat doubt remains whether the for 4 years has the polit to adopt such a policy a brief summer in which up its mind.

Hypo-Bank records good results in 1976

Client-oriented services extended internationally

1976 was a good year for Germany's oldest publicly-owned bank. The balance sheet total grew to DM 33.87 billion, and consolidated total assets reached a record high of DM 46.1 billion.

International banking achieved a considerable increase in business. The volume and number of transactions involved in short and medium-term import-export financing rose. Important gains were achieved in security dealing and underwriting; the number of participations in international syndicated loans and bond issues increased substantially.

The Bank's subsidiary in Luxembourg, HYPOBANK INTERNATIONAL S.A., boosted its volume to DM 2.2 billion and doubled its earnings.

Consistent with its efforts to strengthen its international activities and build a broader based clientele, Hypo-Bank opened representative offices in New York and Rio de Janeiro. A full-service branch in New York is planned for 1977.

The future outlook for continued growth is promising. Through a global network of subsidiaries, affiliates, representative offices and partnership in ABECOR, Europe's largest international banking group, Hypo-Bank offers client-oriented services worldwide.

For your copy of our Annual Report, please contact our International Department, Theatinerstrasse 11, 8000 Munich 2, Tel.: (089) 23 66-1, Telex: 05 23 468.

Highlights of our consolidated Balance Sheet for 1976

Table with 2 columns: Description and Amount in millions of DM. Includes Total assets consolidated (46,144), Total loans (38,583), Total deposits and long-term liabilities (43,345), and Capital and reserves (1,166).

Modern Banking in the finest Royal Tradition



BAYERISCHE HYPOTHEKEN- UND WECHSEL-BANK

J.S. welcome for Schmidt disguises disagreements

JUREK MARTIN, U.S. EDITOR

FRANKLY, as Administration officials of State, used to deplore similar evidence of these weaknesses, but more on the grounds that it made more likely the onset of Communist government in Europe. This Administration has less of an ideological problem over the advent of Euro-Communism (though it does not necessarily welcome it).

U.S. officials expect Herr Schmidt to voice once again his reservations about President Carter's human rights policies. In U.S. view, is now more one of tactics than philosophy.

Of late, the U.S. has privately been more complimentary about W. Germany's discreet and often successful efforts to secure the repatriation of former German citizens from Warsaw Pact countries, particularly East Germany. The U.S. now believes that such actions are live quite compatibly with the higher morality implicit in President Carter's public pronouncement. Herr Schmidt will probably not be persuaded.

It was not immediately clear this morning when the issue of nuclear proliferation would come up in the talks between the two leaders. Herr Schmidt reportedly has been encouraged by his visit to Canada this week and believes that Canada will shortly resume selling uranium to W. Germany.

Most of the current round of talks is likely to be consumed with East-West relations and economic questions. While it has welcomed the recent appreciation of the Deutsche Mark, the U.S. is known to be deeply sceptical about West Germany's ability to achieve 5 per cent real growth this year without additional stimulative measures.

The U.S. continues to look to West Germany to help lead the lesser brethren of Europe out of the economic morass. Herr Schmidt had promised earlier that by the autumn, the U.S. would reach its growth target, the remedial measures would be taken. Mr. Carter may press Herr Schmidt quite hard on the need to redeem that pledge.

There is, without doubt, considerable concern inside the Administration over the political and economic health of Europe at present. Britain, Italy and France are all seen as nations debilitated economically, politically and socially.

Jamaica obtains IMF loan

By Canute James

KINGSTON, July 13. THE JAMAICAN Government has obtained loans totalling \$174m. (£34.6m.) from the International Monetary Fund (IMF), the Prime Minister, Mr. Michael Manley told Parliament here last night.

The funds will be disbursed over a two-year period, with the island getting \$44m. this year. The first withdrawal of \$22.2m. will be made at the end of next month, the Prime Minister said.

The loans have come after several months of negotiations between the Jamaican Government and the IMF, during which Government officials repeatedly expressed anger at what they indicated were "unfair" conditions being asked by the IMF. These were reported to be reduced Government expenditure on a range of domestic social programmes and a devaluation of the Jamaican dollar. The Prime Minister said last night however that the Government had not acceded to the IMF's requests. The Government did, however, implement a two-tier exchange system at the end of April.

The IMF loans form part of a total \$195m, with which the island is seeking to prop up a weakened economy. Mr. Manley said that the sources for the remainder had been identified. He did not elaborate.

Nuclear test ban talks begin

BY OUR OWN CORRESPONDENT

GENEVA, July 13.

PRELIMINARY talks on a treaty banning all nuclear tests began today between the United States, the Soviet Union and Britain.

The question of such a comprehensive nuclear test ban has been deadlocked since 1958. The U.S. appears to be relaxing its insistence on verification by on-site inspection.

Mr. Paul Warnke, the U.S. delegation leader—he is also chief negotiator at the Salt Talks and director of the U.S. Arms Control and Disarmament Agency—said today that such inspections would be "a useful verification measure. The Soviet Union has inspections which are a form of espionage and that national means of verification are sufficient to monitor a comprehensive ban.

Scientists generally support this argument, saying that

modern seismographic equipment is sufficiently sensitive to detect, in all but the thinnest underground nuclear explosions, weapons, which would kill millions of their own people in any war with the West.

The USSR refuses to sign a treaty unless China does so as well. The Chinese, along with the French, refused to sign the 1963 treaty banning all but underground tests and Mr. Warnke today said there has "been no indication of any kind" that they will sign a comprehensive agreement.

Secondly, Britain and the U.S. want nuclear explosions for peaceful purposes banned as well as military tests, on the basis that peaceful explosions could be used for nuclear weapons experiments in disguise. But the USSR, with major projects to use nuclear explosives to divert rivers and excavate canals, want peaceful explosions excluded.

Reuter writes from Brussels: European Nato states want President Carter to deploy the controversial neutron bomb in Europe because it would not, like existing "dirty" nuclear weapons, kill millions of their own people in any war with the West.

They say West Germany, where any Nato-Warsaw Pact war is likely to be fought, is particularly concerned about the slaughter of friendly people with enemy troops.

Nato planners suggest any attacking Soviet troops would quickly move close to heavily populated areas, exacting a terrible toll in West German civilian lives should the Germans attempt nuclear strikes.

General Alexander Haig, Nato European commander and an advocate of the neutron bomb, said yesterday European member states are enthusiastic about the weapon, which can be delivered by missiles or artillery.

Editorial comment, Page 20

National Assembly meets in Cuba

President Fidel Castro yesterday attended the first ordinary session of Cuba's National Assembly since its creation last year to introduce greater efficiency and decentralisation into reports from Havana.

The 478-member Assembly is due to discuss and approve a number of proposed laws bringing existing statutes into line with a recent reorganisation of Cuba's administration. Though the power, the reins of Government remain in the hands of the Communist Party. Most of the Deputies are party members.

El Salvador death

A former President of El Salvador, Col. Osman Aguilar was shot dead in the street outside his home here on Tuesday night, police said. Reuter reports from San Salvador. Col. Aguilar, 78, took power in a coup in December, 1944, and remained as head of state for one year. From 1948 to 1950, he was a member of a ruling military junta.

Support for Belize

Royal Air Force transport aircraft passed through Bermuda on Tuesday apparently carrying supplies for troops recently flown to the Central American British colony of Belize. Reuter reports from Hamilton. Airport area residents said the Hercules transports, arrived and departed throughout the day, heading south towards Belize.

Industrial states output forecast

WASHINGTON, July 13.

THE INTERNATIONAL Monetary Fund (IMF) is forecasting that output in the world's industrial nations, after a period of slow growth in 1976, will rise to an annual rate of about 3 per cent, during the remainder of 1977 and into 1978.

Inflation prospects are less clear, but it is likely that next year the rate of inflation will continue to range between 6 per cent and 7 per cent, said Mr. William Dale, the IMF's deputy managing director.

Mr. Dale reviewed the economic outlook for both industrial nations and developing countries in a report presented to the United Nations Economic and Social Council, meeting in Geneva. The IMF made the text of his remarks public in Washington.

He recalled that the IMF had concluded a year ago that "the process of economic recovery in the industrial world rested on a solid foundation." Mr. Dale said

this broad assessment continued to be valid, despite a slowdown in the rate of economic expansion in the industrial world during the second half of 1976.

In the current economic situation, Mr. Dale said, the persistence of high levels of unemployment and inflation and the distribution of external payments imbalances continued to be troublesome.

PRESIDENT AND THE UNIONS approchement that worrying to business

JUREK MARTIN IN WASHINGTON

THE COVERING of the construction industry and labour, strained for this year, have suddenly turned for the better, much to the stress of the U.S. business community.

The cause of this has been an agreement between the Administration and the union movement over membership in the minimum wage law.

President Carter's refusal to sign a \$3-per-hour minimum wage law, as called for by Mr. Meany, head of the AFL-CIO, has perhaps been the issue between the two.

The formula for the current year of \$2.30 per hour, \$2.65 at the start of 1978, is equivalent to a 5 per cent increase over the previous year, whereas the minimum equals only 1 per cent.

Less substantive but equally disturbing to Mr. Meany and his cohorts at the AFL-CIO was the Administration's early insistence on improving relations with and gaining the confidence of the new President was particularly disturbing to labour's indifference and was going to reciprocate in kind.

At the same time there was growing evidence that labour's influence in Congress was waning: the construction picketing Bill was one instance, the elevation of Senator Robert Byrd to the majority leadership was another, for Senator Hubert Humphrey, a long-time labour favourite on Capitol Hill, was also in the running.

And concurrent with all these fears was the knowledge that the union movement itself was being fractured in spirit and static in membership. A new breed of union leader was thrusting to the fore, potentially at odds with Mr. Meany's ageing hierarchy at the AFL-CIO: both the car workers and the machinists acquired aggressive new presidents, while the steelworkers and the miners were riven by bitter elections, the former in particular pitting the old guard against the new, with the old emerging but tenuous victors.

Harmony

The business community had watched all this with some equanimity, girding its lobbying forces effectively in the meanwhile. But with the President and the labour movement now back in some kind of harmony over both the minimum wage and reform of labour laws, that lobbying strength is going to be sorely tested.

Business has won some substantial victories in Congress so far this year—either willing or at least delaying the onset of the Consumer Protection Agency, carrying up those portions of the President's energy programme that it did not like and, of course, successfully stymying the construction picketing Bill. The President was even moved to a politically astute attack on the rear where union industry lobbyists in Washington (astute because he refrained from stacking the Congress itself, which was initially inclined to). But the minimum wage new understanding between the Administration and labour, Congress has fragile flower though it still is, suggests that the battles between the vested interests have barely begun.

A BEAST OF BURDEN DOESN'T HAVE TO LOOK LIKE A MULE.



It's only human, after all, to think that useful things can be ugly. And it's only Italian to believe that everything should be as beautiful as possible. Hence the Lancia Beta HPE - the Italian High Performance Estate.

Being an estate car, the HPE will seat five people. But it does so in quite un-estatelike luxury. With fitted carpets, cloth upholstery (PVC if you prefer), integral headrests on the front seats and wrap-round rear seats that are as far away from the usual estate car 'bench' as you can get.

Being an estate, the HPE carries a lot with the rear seats folded - 42.36 cu ft. to be precise. But unlike most estate cars, you can also fold just one seat to carry a long load and a third passenger in complete comfort. There are also self-levelling headlights to stop you dazzling approaching drivers when the back is loaded.

But being Italian, the HPE doesn't look remotely like any other estate car. In fact, it looks much more like a sleek sports coupé, which is exactly what it performs and handles like.

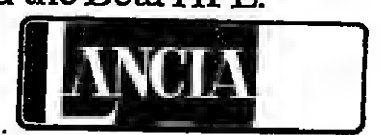
The 2000 version (illustrated above) has a sliding steel sun roof. A top speed of 115 mph. A 2 litre twin overhead camshaft engine, driving the front wheels. Five gears. All-round independent suspension. All-round servo-assisted disc brakes.

It also has full instrumentation, including electronic rev counter and clock, with oil level, oil pressure and oil temperature gauges to protect the lubrication system.

The 1600 has a smaller version of the same engine, its own distinctive alloy wheels and costs a little less.

So if you're the sort of person who wants something far more prestigious than a mere estate car, go and ask your Lancia dealer to show you the Beta HPE. You've never seen an estate like it.

And you'll never drive more of a thoroughbred.



The most Italian car.

Lancia (England) Limited, Alperton, Middlesex HA0 1HE. Telephone: 01-998 2992

Prices include VAT at 8% and car tax, inertia reel seatbelts and delivery charges (UK mainland), but exclude number plates. Prices of other Lancia ranges start at: Beta Saloons-£13,175.58; Beta Coupés-£13,643.58; Beta Spydres-£4,725.29. The Beta Monte-Carlo costs £5,927.22.

WHERE TO SEE THE LANCIA BETA RANGE:			
ENGLAND	Cheshire: L. L. & E. Motors, Tel. 224,499	Huddersfield: Lockwood Motor Sales, Tel. 01484 2244	Manchester: F. J. Morgan, Tel. 0625 81025
Essex: William Searles Motors, Tel. 0665 3247	Cheshire: Swindon Road Service Station, Tel. 0562 32167	Leeds: J. A. & S. Motors, Tel. 0532 2811	Newcastle: Dick Lovell (Specialist Car), Tel. 0282 2607
Gloucestershire: L. L. & E. Motors, Tel. 01454 31140	Cheshire: Ford Rover Motors, Tel. 0294 21140	Leeds: J. A. & S. Motors, Tel. 0532 2811	Northampton: Broughton Motors, Tel. 0504 5678
Lincolnshire: B. J. & S. Motors, Tel. 0526 2211	Cheshire: David Short Motors, Tel. 0472 33675	Leeds: J. A. & S. Motors, Tel. 0532 2811	Northampton: Broughton Motors, Tel. 0504 5678
Northampton: Broughton Motors, Tel. 0504 5678	Cheshire: David Short Motors, Tel. 0472 33675	Leeds: J. A. & S. Motors, Tel. 0532 2811	Northampton: Broughton Motors, Tel. 0504 5678
Northampton: Broughton Motors, Tel. 0504 5678	Cheshire: David Short Motors, Tel. 0472 33675	Leeds: J. A. & S. Motors, Tel. 0532 2811	Northampton: Broughton Motors, Tel. 0504 5678
Northampton: Broughton Motors, Tel. 0504 5678	Cheshire: David Short Motors, Tel. 0472 33675	Leeds: J. A. & S. Motors, Tel. 0532 2811	Northampton: Broughton Motors, Tel. 0504 5678
Northampton: Broughton Motors, Tel. 0504 5678	Cheshire: David Short Motors, Tel. 0472 33675	Leeds: J. A. & S. Motors, Tel. 0532 2811	Northampton: Broughton Motors, Tel. 0504 5678
Northampton: Broughton Motors, Tel. 0504 5678	Cheshire: David Short Motors, Tel. 0472 33675	Leeds: J. A. & S. Motors, Tel. 0532 2811	Northampton: Broughton Motors, Tel. 0504 5678
Northampton: Broughton Motors, Tel. 0504 5678	Cheshire: David Short Motors, Tel. 0472 33675	Leeds: J. A. & S. Motors, Tel. 0532 2811	Northampton: Broughton Motors, Tel. 0504 5678
Northampton: Broughton Motors, Tel. 0504 5678	Cheshire: David Short Motors, Tel. 0472 33675	Leeds: J. A. & S. Motors, Tel. 0532 2811	Northampton: Broughton Motors, Tel. 0504 5678
Northampton: Broughton Motors, Tel. 0504 5678	Cheshire: David Short Motors, Tel. 0472 33675	Leeds: J. A. & S. Motors, Tel. 0532 2811	Northampton: Broughton Motors, Tel. 0504 5678
Northampton: Broughton Motors, Tel. 0504 5678	Cheshire: David Short Motors, Tel. 0472 33675	Leeds: J. A. & S. Motors, Tel. 0532 2811	Northampton: Broughton Motors, Tel. 0504 5678
Northampton: Broughton Motors, Tel. 0504 5678	Cheshire: David Short Motors, Tel. 0472 33675	Leeds: J. A. & S. Motors, Tel. 0532 2811	Northampton: Broughton Motors, Tel. 0504 5678
Northampton: Broughton Motors, Tel. 0504 5678	Cheshire: David Short Motors, Tel. 0472 33675	Leeds: J. A. & S. Motors, Tel. 0532 2811	Northampton: Broughton Motors, Tel. 0504 5678
Northampton: Broughton Motors, Tel. 0504 5678	Cheshire: David Short Motors, Tel. 0472 33675	Leeds: J. A. & S. Motors, Tel. 0532 2811	Northampton: Broughton Motors, Tel. 0504 5678
Northampton: Broughton Motors, Tel. 0504 5678	Cheshire: David Short Motors, Tel. 0472 33675	Leeds: J. A. & S. Motors, Tel. 0532 2811	Northampton: Broughton Motors, Tel. 0504 5678
Northampton: Broughton Motors, Tel. 0504 5678	Cheshire: David Short Motors, Tel. 0472 33675	Leeds: J. A. & S. Motors, Tel. 0532 2811	Northampton: Broughton Motors, Tel. 0504 5678
Northampton: Broughton Motors, Tel. 0504 5678	Cheshire: David Short Motors, Tel. 0472 33675	Leeds: J. A. & S. Motors, Tel. 0532 2811	Northampton: Broughton Motors, Tel. 0504 5678
Northampton: Broughton Motors, Tel. 0504 5678	Cheshire: David Short Motors, Tel. 0472 33675	Leeds: J. A. & S. Motors, Tel. 0532 2811	Northampton: Broughton Motors, Tel. 0504 5678
Northampton: Broughton Motors, Tel. 0504 5678	Cheshire: David Short Motors, Tel. 0472 33675	Leeds: J. A. & S. Motors, Tel. 0532 2811	Northampton: Broughton Motors, Tel. 0504 5678
Northampton: Broughton Motors, Tel. 0504 5678	Cheshire: David Short Motors, Tel. 0472 33675	Leeds: J. A. & S. Motors, Tel. 0532 2811	Northampton: Broughton Motors, Tel. 0504 5678
Northampton: Broughton Motors, Tel. 0504 5678	Cheshire: David Short Motors, Tel. 0472 33675	Leeds: J. A. & S. Motors, Tel. 0532 2811	Northampton: Broughton Motors, Tel. 0504 5678
Northampton: Broughton Motors, Tel. 0504 5678	Cheshire: David Short Motors, Tel. 0472 33675	Leeds: J. A. & S. Motors, Tel. 0532 2811	Northampton: Broughton Motors, Tel. 0504 5678
Northampton: Broughton Motors, Tel. 0504 5678	Cheshire: David Short Motors, Tel. 0472 33675	Leeds: J. A. & S. Motors, Tel. 0532 2811	Northampton: Broughton Motors, Tel. 0504 5678
Northampton: Broughton Motors, Tel. 0504 5678	Cheshire: David Short Motors, Tel. 0472 33675	Leeds: J. A. & S. Motors, Tel. 0532 2811	Northampton: Broughton Motors, Tel. 0504 5678
Northampton: Broughton Motors, Tel. 0504 5678	Cheshire: David Short Motors, Tel. 0472 33675	Leeds: J. A. & S. Motors, Tel. 0532 2811	Northampton: Broughton Motors, Tel. 0504 5678
Northampton: Broughton Motors, Tel. 0504 5678	Cheshire: David Short Motors, Tel. 0472 33675	Leeds: J. A. & S. Motors, Tel. 0532 2811	Northampton: Broughton Motors, Tel. 0504 5678
Northampton: Broughton Motors, Tel. 0504 5678	Cheshire: David Short Motors, Tel. 0472 33675	Leeds: J. A. & S. Motors, Tel. 0532 2811	Northampton: Broughton Motors, Tel. 0504 5678
Northampton: Broughton Motors, Tel. 0504 5678	Cheshire: David Short Motors, Tel. 0472 33675	Leeds: J. A. & S. Motors, Tel. 0532 2811	Northampton: Broughton Motors, Tel. 0504 5678
Northampton: Broughton Motors, Tel. 0504 5678	Cheshire: David Short Motors, Tel. 0472 33675	Leeds: J. A. & S. Motors, Tel. 0532 2811	Northampton: Broughton Motors, Tel. 0504 5678
Northampton: Broughton Motors, Tel. 0504 5678	Cheshire: David Short Motors, Tel. 0472 33675	Leeds: J. A. & S. Motors, Tel. 0532 2811	Northampton: Broughton Motors, Tel. 0504 5678
Northampton: Broughton Motors, Tel. 0504 5678	Cheshire: David Short Motors, Tel. 0472 33675	Leeds: J. A. & S. Motors, Tel. 0532 2811	Northampton: Broughton Motors, Tel. 0504 5678
Northampton: Broughton Motors, Tel. 0504 5678	Cheshire: David Short Motors, Tel. 0472 33675	Leeds: J. A. & S. Motors, Tel. 0532 2811	Northampton: Broughton Motors, Tel. 0504 5678
Northampton: Broughton Motors, Tel. 0504 5678	Cheshire: David Short Motors, Tel. 0472 33675	Leeds: J. A. & S. Motors, Tel. 0532 2811	Northampton: Broughton Motors, Tel. 0504 5678
Northampton: Broughton Motors, Tel. 0504 5678	Cheshire: David Short Motors, Tel. 0472 33675	Leeds: J. A. & S. Motors, Tel. 0532 2811	Northampton: Broughton Motors, Tel. 0504 5678
Northampton: Broughton Motors, Tel. 0504 5678	Cheshire: David Short Motors, Tel. 0472 33675	Leeds: J. A. & S. Motors, Tel. 0532 2811	Northampton: Broughton Motors, Tel. 0504 5678
Northampton: Broughton Motors, Tel. 0504 5678	Cheshire: David Short Motors, Tel. 0472 33675	Leeds: J. A. & S. Motors, Tel. 0532 2811	Northampton: Broughton Motors, Tel. 0504 5678
Northampton: Broughton Motors, Tel. 0504 5678	Cheshire: David Short Motors, Tel. 0472 33675	Leeds: J. A. & S. Motors, Tel. 0532 2811	Northampton: Broughton Motors, Tel. 0504 5678
Northampton: Broughton Motors, Tel. 0504 5678	Cheshire: David Short Motors, Tel. 0472 33675	Leeds: J. A. & S. Motors, Tel. 0532 2811	Northampton: Broughton Motors, Tel. 0504 5678
Northampton: Broughton Motors, Tel. 0504 5678	Cheshire: David Short Motors, Tel. 0472 33675	Leeds: J. A. & S. Motors, Tel. 0532 2811	Northampton: Broughton Motors, Tel. 0504 5678
Northampton: Broughton Motors, Tel. 0504 5678	Cheshire: David Short Motors, Tel. 0472 33675	Leeds: J. A. & S. Motors, Tel. 0532 2811	Northampton: Broughton Motors, Tel. 0504 5678
Northampton: Broughton Motors, Tel. 0504 5678	Cheshire: David Short Motors, Tel. 0472 33675	Leeds: J. A. & S. Motors, Tel. 0532 2811	Northampton: Broughton Motors, Tel. 0504 5678
Northampton: Broughton Motors, Tel. 0504 5678	Cheshire: David Short Motors, Tel. 0472 33675	Leeds: J. A. & S. Motors, Tel. 0532 2811	Northampton: Broughton Motors, Tel. 0504 5678
Northampton: Broughton Motors, Tel. 0504 5678	Cheshire: David Short Motors, Tel. 0472 33675	Leeds: J. A. & S. Motors, Tel. 0532 2811	Northampton: Broughton Motors, Tel. 0504 5678
Northampton: Broughton Motors, Tel. 0504 5678	Cheshire: David Short Motors, Tel. 0472 33675	Leeds: J. A. & S. Motors, Tel. 0532 2811	Northampton: Broughton Motors, Tel. 0504 5678
Northampton: Broughton Motors, Tel. 0504 5678	Cheshire: David Short Motors, Tel. 0472 33675	Leeds: J. A. & S. Motors, Tel. 0532 2811	Northampton: Broughton Motors, Tel. 0504 5678
Northampton: Broughton Motors, Tel. 0504 5678	Cheshire: David Short Motors, Tel. 0472 33675	Leeds: J. A. & S. Motors, Tel. 0532 2811	Northampton: Broughton Motors, Tel. 0504 5678
Northampton: Broughton Motors, Tel. 0504 5678	Cheshire: David Short Motors, Tel. 0472 33675	Leeds: J. A. & S. Motors, Tel. 0532 2811	Northampton: Broughton Motors, Tel. 0504 5678
Northampton: Broughton Motors, Tel. 0504 5678	Cheshire: David Short Motors, Tel. 0472 33675	Leeds: J. A. & S. Motors, Tel. 0532 2811	Northampton: Broughton Motors, Tel. 0504 5678
Northampton: Broughton Motors, Tel. 0504 5678	Cheshire: David Short Motors, Tel. 0472 33675	Leeds: J. A. & S. Motors, Tel. 0532 2811	Northampton: Broughton Motors, Tel. 0504 5678
Northampton: Broughton Motors, Tel. 0504 5678	Cheshire: David Short Motors, Tel. 0472 33675	Leeds: J. A. & S. Motors, Tel. 0532 2811	Northampton: Broughton Motors, Tel. 0504 5678
Northampton: Broughton Motors, Tel. 0504 5678	Cheshire: David Short Motors, Tel. 0472 33675	Leeds: J. A. & S. Motors, Tel. 0532 2811	Northampton: Broughton Motors, Tel. 0504 5678
Northampton: Broughton Motors, Tel. 0504 5678	Cheshire: David Short Motors, Tel. 0472 33675	Leeds: J. A. & S. Motors, Tel. 0532 2811	Northampton: Broughton Motors, Tel. 0504 5678
Northampton: Broughton Motors, Tel. 0504 5678	Cheshire: David Short Motors, Tel. 0472 33675	Leeds: J. A. & S. Motors, Tel. 0532 2811	Northampton: Broughton Motors, Tel. 0504 5678
Northampton: Broughton Motors, Tel. 0504 5678	Cheshire: David Short Motors, Tel. 0472 33675	Leeds: J. A. & S. Motors, Tel. 0532 2811	Northampton: Broughton Motors, Tel. 0504 5678
Northampton: Broughton Motors, Tel. 0504 5678	Cheshire: David Short Motors, Tel. 0472 33675	Leeds: J. A. & S. Motors, Tel. 0532 2811	Northampton: Broughton Motors, Tel. 0504 5678
Northampton: Broughton Motors, Tel. 0504 5678	Cheshire: David Short Motors, Tel. 0472 33675	Leeds: J. A. & S. Motors, Tel. 0532 2811	Northampton: Broughton Motors, Tel. 0504 5678
Northampton: Broughton Motors, Tel. 0504 5678	Cheshire: David Short Motors, Tel. 0472 33675	Leeds: J. A. & S. Motors, Tel. 0532 2811	Northampton: Broughton Motors, Tel. 0504 5678
Northampton: Broughton Motors, Tel. 0504 5678	Cheshire: David Short Motors, Tel. 0472 33675	Leeds: J. A. & S. Motors, Tel. 0532 2811	Northampton: Broughton Motors, Tel.

THE SHAH
of political
Iranians

K. Iranian defence contracts near conclusion

DEBERT GRAHAM
TEHRAN, July 13.

AND Iran are at an advanced stage in negotiating the creation of a joint venture for the production of a number of tanks and armoured personnel carriers worth to the value of \$1,000 million. The contracts are worth to the value of \$1,000 million. The deals are apparently well advanced and are expected to be concluded in the next few weeks.

Representatives of the Iranian Ministry of Defence are currently in London negotiating the final stages of the deal. The contract is believed to be of special importance in providing for the supply of armoured personnel carriers and tanks to the Iranian Army.

The deal is part of a series of defence contracts which Iran has been negotiating with Western countries since the revolution. It is expected that the deal will be worth to the value of \$1,000 million.

U.S. allows Algerian gas deal

By Francis Giles

THE FEDERAL Power Commission (FPC) last week approved a deal for the import of Algerian gas into the U.S.

The deal is worth to the value of \$1,000 million and is expected to be completed in the next few years. It is the largest gas deal in the history of the U.S.

The deal is part of a series of energy deals which the U.S. has been negotiating with Algeria since the revolution. It is expected that the deal will be worth to the value of \$1,000 million.

Japan to protest import curbs by Canberra as June sales soar

TOKYO, July 13.

THE JAPANESE Government said it would protest against Australia's decision to restrict imports of Japanese cars and trucks.

The Japanese Government said that the measure would be lifted as soon as possible. It said that the measure would be a serious blow to the Japanese car industry.

The Japanese Government said that it would protest against the measure because it would be a violation of the trade agreement between the two countries. It said that the measure would be a serious blow to the Japanese car industry.

Big fall in S. African sales

JOHANNESBURG, July 13.

NEW CAR sales in South Africa during the first six months of 1977 were the lowest since the first half of 1971, while commercial vehicle sales were the lowest since 1970, according to figures released today by the National Association of Automobile Manufacturers.

January-June car sales totalled 75,775 units, 20.2 per cent below the corresponding period last year. At 14,283 units, sales during June were only 5.3 per cent of those in June 1976.

Of the 12 major manufacturers, Ford had the best performance for the half year, with sales of 12,910 units, followed by Volkswagen (12,283), Datsun (9,685) and General Motors (8,805).

EC imposes textile quotas

BRUSSELS, July 13.

THE rapidly growing imports into the EEC are from Mediterranean countries which are not party to the multi-fibre arrangements or to bilateral textile agreements with the EEC.

The EEC has imposed textile quotas on imports from several countries. The quotas are intended to protect the textile industry in the EEC from the rapidly growing imports from these countries.

The quotas are intended to protect the textile industry in the EEC from the rapidly growing imports from these countries. The quotas are intended to protect the textile industry in the EEC from the rapidly growing imports from these countries.

U.K. parts for Tokyo show

TOKYO, July 13.

THE BRITISH automobile parts industry will be taking nearly 6,000 square feet of space at this year's Tokyo Motor Show.

The British automobile parts industry will be taking nearly 6,000 square feet of space at this year's Tokyo Motor Show. The British automobile parts industry will be taking nearly 6,000 square feet of space at this year's Tokyo Motor Show.

U.K. parts for Tokyo show

TOKYO, July 13.

THE BRITISH automobile parts industry will be taking nearly 6,000 square feet of space at this year's Tokyo Motor Show.

The British automobile parts industry will be taking nearly 6,000 square feet of space at this year's Tokyo Motor Show. The British automobile parts industry will be taking nearly 6,000 square feet of space at this year's Tokyo Motor Show.

French aid small exporter

PARIS, July 13.

THE French Government has decided on a Frs.250,000 aid against Frs.150,000 measures to help small exporters.

The French Government has decided on a Frs.250,000 aid against Frs.150,000 measures to help small exporters. The French Government has decided on a Frs.250,000 aid against Frs.150,000 measures to help small exporters.

Jet engine pact

PARIS, July 13.

THE French Government has signed an agreement with Pratt and Whitney for the development of a new jet engine.

The French Government has signed an agreement with Pratt and Whitney for the development of a new jet engine. The French Government has signed an agreement with Pratt and Whitney for the development of a new jet engine.

Order for Costain

PARIS, July 13.

THE French Government has ordered the construction of a new port at Jeddah.

The French Government has ordered the construction of a new port at Jeddah. The French Government has ordered the construction of a new port at Jeddah.

Trust Houses Forte give opportunities to school leavers

THF - probably the world's largest hotel, catering and leisure group - is making its contribution to Britain's school leaver problem.

- 2,500 young people will join Trust Houses Forte this year alone
- 1,000 direct from school
- 150 from catering colleges and universities
- 350 industrial release students and 1,000 others in seasonal jobs

All these young people will be trained by our 150 training specialists, helped by our ever expanding team of "on the job" trainers now 3,000 strong. Many will attend a wide range of training courses from craft and apprenticeship schemes to sophisticated postgraduate programmes.

This represents real career opportunities for young people.

This is how we are making our contribution to Britain's economy

Ring 01-567 3444 or 061-969 6111 for reservations at any of our 800 hotels worldwide



Communists

HOME NEWS

Top baker refuses to add 1/2p to loaf

BY ELINOR GOODMAN, CONSUMER AFFAIRS CORRESPONDENT

ASSOCIATED British Foods yesterday threw the bread industry into confusion by informing its customers that it did not intend implementing a 1/2p loaf price rise cleared by the Price Commission.

The trade was fully expecting the maximum price of all loaves to go up to 23p on Monday and the Department of Prices had already sent round details of its plans to increase the statutory maximum price.

But yesterday afternoon, the ABF subsidiary, Allied Bakers, which makes Sunblest bread and is the most profitable of the big three bakeries, announced it was holding its prices at 23p despite being given the Commission's go-ahead for a further increase.

ABF's two main competitors—Sullers-French and RHM—were obviously startled by the news but immediately told their customers that in the circumstances they too would be holding the price at 23p for the foreseeable future.

The baking industry makes, at best, an average of only 1p a loaf. So, by forcing all the major bakers to keep their prices down, ABF may be pushing some of the smaller hakers further into the red on their breadmaking activities.

Yesterday, Sullers, which has made a loss on bread for some time, said it was "intensely dis-

pleased" by ABF's action. It would raise its prices as soon as the market allowed. But as no bread manufacturer can allow its prices to rise out of line with those of its competitors, no major manufacturer is likely to increase its prices before ABF decides to do so.

Since the abolition of the statutory control on trade discounts on bread earlier this year, competition in the bread industry, which will today be the subject of a Monopolies Commission report, has become much more intense in terms of price.

Many supermarkets are selling bread well below the statutory maximum price of 23p and the general level of trade discounts has increased significantly since the beginning of the year.

An extra problem for ABF's competitors has been the fact that ABF could not justify such large rises under the code as some other companies.

This had the effect of restraining prices throughout the industry. More recently, however, it has been some of the smaller bakers who have been having problems not exceeding their statutory profit ceilings.

It may have been that even if ABF had raised its prices on Monday, some of these smaller companies would have been unable to do so.

industry would be free after next month to allow normal market forces to operate. Since price controls were introduced four years ago, the baking companies have always tried to squeeze as much as they could from the Price Commission under the rules of the Price Code and have frequently criticised the code—and the Government—for reducing profitability.

Recently, they were in a prolonged dispute with the Commission over whether they should be allowed to put up their prices by an extra 1p to reflect the higher cost of discounts, while last year they attacked the Government bitterly for allowing them to implement a price rise cleared by the Commission.

An extra problem for ABF's competitors has been the fact that ABF could not justify such large rises under the code as some other companies.

This had the effect of restraining prices throughout the industry. More recently, however, it has been some of the smaller bakers who have been having problems not exceeding their statutory profit ceilings.

It may have been that even if ABF had raised its prices on Monday, some of these smaller companies would have been unable to do so.

'Ridiculous'

ABF said yesterday that 23p was a "ridiculously high" price for bread and was a "meaningless" figure in many areas.

As the existing system of having to justify individual price rises in the Price Commission was coming to an end next month, it would now operate in a more flexible way.

Mr. Garfield Weston, ABF chairman, said that in the circumstances there was "no point in rushing in with a price rise."

Beers dearer again on eve of price probe

BY KENNETH GOODING

ANOTHER ROUND of beer price increases is to be implemented only days before the Government receives the Price Commission report on its investigation into beer and pub prices.

The brewers insisted yesterday that they were not trying to push up charges ahead of the widely forecast price freeze.

A spokesman for Whitehead, which is putting up a pint of some beers from July 25, said: "We are not trying to beat any freeze."

"It is three months since we had our last increase and we have been putting up prices every three months. The increase is to cover extra cost of materials and services."

At Allied Breweries, the Ind Coope, Tetley and Ansell combine, which is still waiting for Price Commission clear-

ance for a penny-a-pint rise on selected beers, also from July 25, a spokesman said: "In no circumstances can this be considered to be a buffer against a possible Price Commission freeze."

Among the other brewers with applications to the Commission are Bass, Charrington, highest of the beer producers, Courage and Watney-Truman.

Work on the jaggedy decision to prevent the brewers from making price applications under the present rules if they can show their costs have gone up, or that they are undertaking new investment.

New Sealink excursion to Mont St. Michel

SEALINK is introducing two excursion services to France from Weymouth next week. Called 'Alder France', 'Sunsetter' and 'Alder France', 'Sunsetter' and 'Alder France'.

The excursions will run daily to Cherbourg from July 22 to September 3 and each will cost £28.

The price includes a coach trip to Le Mont Saint Michel, a five-course lunch or dinner in France and some other meals.

The "Sunsetter" tour provides for a trip to a casino. A voucher, each packet, valued at £5 to spend in the shops. The club, known as cyma-cruis, duty free shops is also included. Special second class return rail

fares are available from many British Rail stations to Weymouth.

Safety moves on super glue

THE manufacturers of an extra-strong, fast-setting glue that can stick fingers together are to issue warning notices and new instructions on safeguards with

the glue, known as cyanoacrylate adhesive, has been criticised as a possible hazard in the home.

Compulsory teacher pruning likely

By Michael Dixon, Education Correspondent

COMPULSORY RETIREMENT for older teachers considered inefficient, or otherwise surplus requirements, was foreshadowed by Mrs. Shirley Williams, Secretary for Education and Science, at Essex University yesterday.

She told the conference of the Council of Local Education Authorities that the Government was preparing regulations for early payment of superannuation benefits "to teachers aged 50 or over who are retired prematurely because of redundancy or in the interests of the education service of their area."

Mrs. Williams added that teachers' unions and local education authorities would be consulted before the regulations were laid before Parliament.

At present teachers retiring early for reasons other than sickness cannot receive accrued superannuation benefits until they are 60.

The new regulations would drop the age barrier to 50, even for staff who retire voluntarily. But Mrs. Williams indicated she had in mind a pruning of the teaching force where surpluses of staff existed in several subjects, such as geography and history, with acute shortages in others, such as mathematics, physics and remedial education.

At a time when school rolls were dropping because of the reduced birthrate, the Education Secretary said, policy on employment of teachers must concentrate on their quality, their fitness for particular posts and above all their adaptability to rapidly changing needs.

Benson to be new head of NatWest

BY MICHAEL BLANDEN

MR. JEFF BENSON is to take over as group chief executive of National Westminster Bank at the beginning of next year following the retirement of Mr. Alec Dibbs.

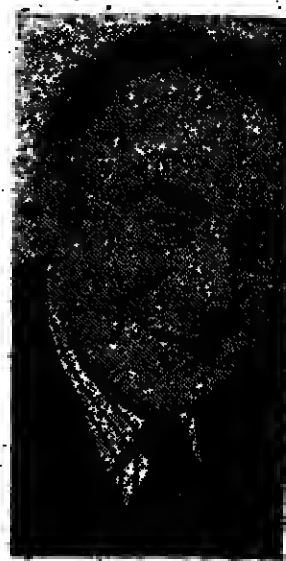
Mr. Dibbs has been chief executive since 1972 during a stormy period in banking with early rapid growth followed by the problems of the secondary banking crisis and the clearing bank lifeboat support operation.

He has set several targets at the bank, joining the Board in 1970 when deputy chief executive and in March this year becoming a deputy chairman while still serving as a member of the bank staff.

Mr. Benson, at present deputy group chief executive and a director of the bank, joined the former National Provincial Bank in Yorkshire in 1959 and after war service continued his banking career in London.

Mr. Benson, at present deputy group chief executive and a director of the bank, joined the former National Provincial Bank in Yorkshire in 1959 and after war service continued his banking career in London.

Mr. Tom McMillan, general manager of the related banking services division, has been appointed deputy group chief executive (U.K. business), while Mr. Harold Hitchcock, general manager of the International banking division, becomes deputy group chief executive (international business). Both are directors of the bank.



Mr. Jeff Benson

National Westminster sees two appointments as the increasing emphasis placed on future plans within the group, partly in relation to the importance of interest business.

Mr. Philip Wilkinson, executive of Lombard, Central, succeeds Mr. McMillan. Mr. Eric Carter follows Hitchcock on the international side.

Lucas to lay off 7,500 due to strike

BY ARTHUR SMITH, MIDLANDS CORRESPONDENT

LUCAS INDUSTRIES, hit by a toolroom workers' strike in its 1,200 toolroom workers, announced last night that 7,500 employees would be laid off seven factories in the Greater Birmingham area would be partially or completely closed after August 1.

Some 20,000 Lucas employees the two weeks' holiday. The who supply key components to the vehicle industry are placed at risk by the action of the daily basis.

The fact that much of the motor industry also shuts down on Friday for the summer holiday should minimise the immediate effect of any shortfall in Lucas supplies.

Talks between unions and company about the toolroom workers' demand for extra bonus payments broke down.

Safety moves on super glue

THE manufacturers of an extra-strong, fast-setting glue that can stick fingers together are to issue warning notices and new instructions on safeguards with

the glue, known as cyanoacrylate adhesive, has been criticised as a possible hazard in the home.

Aluminium plant will cost £3m

By Roy Hudson

A NEW ALUMINIUM melting and casting department is to be built by the Aluminium Corporation at a cost of £3m at the Duffryn Works, near Cardiff, Wales.

The investment will include two melting furnaces, a casting machine and a casting line. It will be in production in 1978.

The company has had assistance from the Department of Industry under the development area rules.

Aluminium Corporation, which has operated from Dolgarrog since 1909, employs some 500 people on the refining of aluminium into flat sheets, circles or coils.

The new plant will produce 100,000 lb of products a year. The modernisation scheme will help the company's competitive position and increase its quality control.

Adamson Butterley wins £10m. order

BY KENNETH GOODING

THE EMERGENCE of Adamson Butterley, the Norcross subsidiary, as a major force in the U.K. heavy engineering industry, was confirmed yesterday when the company revealed it has won a £10m. order from the British Steel Corporation.

The contract is for a 3,000-tonne-an-hour ore and coal unloader to service ships at the Redcar terminal. It also takes in the bulk-handling coal importation scheme for the same site.

Adamson Butterley won the order in face of competition from two West German groups, Krupp and MAN, and the main English competitor, Clark Chapman.

This year the company expects turnover to reach £50m, making it about the same size as Clark Chapman's crane and bridge division with which it competes.

Yet in 1970 the old Adamson Alliance Company, which is now a major component of the company, was in danger of going out of business before being revived by a new management team.

Just over a year ago, Norcross put together Adamson Alliance and Butterley Engineering to form Adamson Butterley. The pioneer, weighing about 2,000 tonnes and one of the largest and most sophisticated machines of its type, has been designed in conjunction with Dravo Corporation of the U.S.A.

signed a five-year licensing agreement with Dravo, which supplied more than 70 units in the past 30 years.

The BSC order gives an indication of the future direct company will take. The Alliance plant at Telford concentrate on heavy mechanical plant including traditional cranes which former Butterley, fact Ripley will make bulk handling equipment.

The latest contract will about 10 months work for the equipment is to be delivered by April, 1978.

This latest order is a general return on the investment in new plant and equipment which the company in recent years BSC's Redcar site. Its location will take the value by the company at Redcar more than £20m.

Among the company's contracts were a rapid loading station, coke and furnace distribution system, which has a belt of nearly five miles and is the largest conveyor U.K. plants ever undertaken.

Advertisement for 'The Areas for Expansion' featuring a large headline 'Now-you can get a new factory rent-free for up to five years' and a form to request details. The form includes fields for Name, Position in Company, Company, Nature of Business, and Address. It also features a map of the UK highlighting expansion areas and contact information for various regions.

Anti-smoking advertisement amended

BY ARTHUR SANDLES

AN ANTI-SMOKING advertising campaign had to be re-drafted on advice from the Advertising Code of Practice Committee. It was disclosed yesterday.

The campaign, by the Government-sponsored Scottish Health Education Unit, was to have featured pictures of packets of the new cigarettes which contained 99 per cent tobacco substitute under the headline "there is no such thing as a safe cigarette."

The advertisement gave a warning that any cigarettes could be "debilitating and ultimately fatal, and ended with the plea "so don't let anyone talk you into giving up giving up."

But the committee advised against the advertisements on the grounds of "denigration" of the cigarette industry as a whole. They were re-drafted, keeping the original wording, but replacing the picture with a picture of a cigarette.

Six of the Advertising Code of Practice say: "Advertisements should not unfairly attack or discredit other products, advertisers, or advertisements, directly or by implication."

A spokesman for the Advertising Code of Practice Committee said the original advertisement unfairly suggested the cigarette industry as a whole was "unsafe" and people were being "talked into not giving up."

Views differ on future of U.K. tourism

BY ARTHUR SANDLES

DIFFERING views on the future of U.K. tourism were put forward yesterday when the annual report of the English Tourist Board predicted there would be a growing number of tourists, while the annual meeting of the British Hotels and Restaurants Association heard of a possible declining standard and perhaps falling custom.

Sir Mark Fenwick, chairman of the English Tourist Board, told there was still plenty of room for more tourists even in London. But he said the problems caused by the sudden rush of foreign tourists to the capital had to be tackled as a matter of urgency.

The alternatives of diversion to other gateways must now be considered, for the tourism pressures on London are not typical of the country as a whole. In most other parts of England, which offer a great variety of attractions for tourists, there is plenty of spare hotel capacity and a wide range of facilities and amenities which are under-used particularly out of the peak summer season.

According to Sir Mark, the Board "is doing its best to encourage much greater use of the private sector in tourism, for that will be an element in our future success."

The question of private investment was raised by Mr. M. Joseph, chairman of the Hotels and Restaurants Association at its annual meeting. He said that inflation, restriction, high interest and rate rises in seasonal country areas "mean that hotels are faced with the alternative of either properly managing their hotels or reasonable return on capital."

This is a shocking decline in standards in years. Britain was the only country in the EEC which did not have a hotel industry. It is now building allowances in its plough back money, modernisation, extensive re-equipment.

In a field as fiercely competitive as tourism, the need for Government assistance there were many destinations "waiting" wings to take our business.

Water charge likely to rise

WATER CHARGES for 16,000 lock-up premises in South Derbyshire, Nottingham and Coventry are expected to double in the next two years.

A meeting of the Severn Trent Water Authority today is expected to authorise an increase in water charges from the present 20.25 per cent on rateable value to 35 per cent next year and 50 per cent the following year.

Officials of the authority estimate that together with other mixed lock-up and residential premises — where the water charges are to be calculated on a basis of 65 per cent of rateable value — a total of 20,000 to 30,000 customers will ask for a water meter to be installed at their own expense.

As a result, the Severn Trent Water Authority expects to take on extra men for two years and eventually employ more meter readers.

Stamp prices leap upward

RECORD INCREASES in values of classic stamps listed in the 80th edition Stanley Gibbons' British monwealth stamp catalog to be published on August 22-23.

British Guiana's unique one-cent black on magenta stamp issued in 1856, valued at £225,000, and the Mauritius "Post Office" 1d orange-red stamp from 1800, valued at £100,000 to £200,000.

Lady Clark

LADY CLARK, wife of the late Sir John Clark, president of the 19th series Civilisation, left her gross £898,483 net. Also her immediate family left a Henry Moore sculpture to the British Museum, valued at £100,000.

Water charge likely to rise

Water charge likely to rise

Water charge likely to rise

Water charge likely to rise

HOME NEWS

New Brae well enhances field's prospects

BY RAY DAFTER, ENERGY CORRESPONDENT

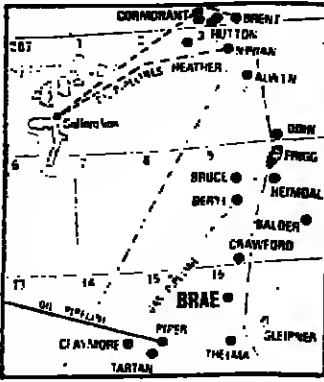
THE PAN OCEAN exploration group has made an important breakthrough during drilling on its Brae Field in the North Sea.

The rig, Odin Drill, has encountered a thick section of oil-bearing sand which is likely to enhance the prospects for developing part of the Brae structure.

A statement is expected soon, but industry reports suggest that the well—the eighth to be drilled on block 16/7—could prove to be the most successful so far. A testing programme is continuing.

The Brae partners met this week to discuss the field's prospects and it seems that the oil companies will drill another ten wells before committing themselves to a development programme. It is possible that the group will decide to exploit at least part of Brae next year.

The field is one of the most prolific prospects in the North Sea. Each well has produced contrasting evidence about the geological structure. In general, however, it has not lived up to the promise of the initial drilling programme when the field was being seen as possibly one of the biggest finds in the North Sea.



Brae Field. The well is about five miles south of the third hole drilled on the block which discovered the South Brae structure.

Industry estimates suggest that recoverable reserves on this part of the Brae complex are in the 250m. to 300m. barrels range. The Brae group comprises: Pan Ocean (Marathon), 32 per cent; Bow Valley, 14 per cent; Ashland Oil GB, 6.3 per cent; Ashland Oil Canada, 1.4 per cent; L. L. and E., 6.3 per cent; Sunningdale, 8 per cent; Saga, 4 per cent; Stephens, 8 per cent; and British National Oil Corporation, 20 per cent.

Windscale objectors under fire

Financial Times Reporter

STRONG CRITICISM of some of the objectors to British Nuclear Fuels' plans to build a re-processing plant at Windscale came yesterday from Mr. Justice Parker, chairman of the public inquiry into the proposals.

Some of the evidence in the inquiry at Whitehaven could cause unnecessary public alarm, he said.

"I am prepared to listen to anything which bears a relation to reality, but I very much hope that I will not be subjected in future to comparisons which have no relation to reality, some of which may have featured in this inquiry and merely alarm the public unnecessarily."

Mr. Peter Mumery, BNFL's director of health and safety, asked by Mr. Justice Parker about comparative health risks, said health hazards in such non-nuclear establishments as fossil-fuelled power stations were "substantially higher" than in nuclear plants.

The inquiry was told that British Nuclear Fuels was seeking information about former employees untraceable through its pensions fund records to increase its data on mortality rates among nuclear workers.

Mr. Geoffrey Schofield, BNFL's chief medical officer, said existing evidence in no way showed health protection standards at the existing Windscale plant to be inadequate.

Health care at Windscale was comprehensive.



A policeman holds up the traffic for three MPs pedalling out to-day on machines from the newly-launched House of Commons bicycle pool. They are, from right: Mr. Andrew Bennett (Lab., Stockport); Sir George Young (C., Ealing and Acton), chairman of the All Party Friends of Cycling group; and Mr. Anthony Steen (C., Liverpool Waverley), group secretary. At a cost of £5 a year, Members can join the pool and borrow one of its 17 bicycles when they wish to pedal about their parliamentary duties.

£8m. loan for Scots plant

By Kevin Done, Chemicals Correspondent

MONTEDISON, the Milan chemicals conglomerate, has secured an £8m. loan from the Finance Corporation for Industry, the bank-backed lending institution, to pay for its share of a plant being built at Stevenston, Ayrshire.

The loan has gone to Montedison's subsidiary Acis (U.K.), a joint enterprise with Imperial Chemical Industries. It will produce H-acid, an intermediate for dyestuffs, and will have a capacity of 4,000 tonnes a year.

The companies will share the cost of the H-acid. Building is due to be completed by the end of the year. Commercial production is expected to start early next year.

The financially-troubled Montedison group, partly State-owned, is in the U.K. mainly a selling organisation. But it is involved in another joint venture, with Monsanto, on a basis in producing intermediates for synthetic fibres.

The Finance Corporation for Industry is a subsidiary of the Bank of England and the English and Scottish clearing banks. It specialises in the provision of medium and long-term money to help large companies fund productive investment. As such it is available to foreign companies investing in Britain.

Holst seeks court ban on official inquiry

NORWEST HOLST, civil engineers, complained in the High Court yesterday that the Department of Trade had refused to give its reasons for ordering an inquiry into the company's affairs.

The company could not take steps to rectify the "supposed matters of complaint" because it was being kept in ignorance of what they were, said Mr. Stanley Brodie, QC.

He asked Mr. Justice Foster to declare invalid the Department's appointment of two inspectors, Mr. Lewis Davies, QC, and Mr. Thomas Harding, to conduct the inquiry.

The company contended that the appointment was in excess of the Trade Secretary's authority and sought an injunction to stop the inspectors exercising their investigative powers.

The Trade Secretary asked that the company's complaint should be "struck out" as not disclosing any reasonable cause of action and as being frivolous, vexatious and an abuse of the process of the court.

Last November, the company was informed that the Trade Secretary had appointed two inspectors to examine the company's books and documents under Section 102 of the 1967 Companies Act. "The company was perfectly happy to co-operate with the inspectors," said Mr. Brodie. "The inspectors asked to see documents, and were shown them. They asked for explanations, and the explanations were given. The company had every reason to suppose that the inspectors were wholly satisfied with what they had seen and heard."

Call to abolish foreign stock surrender rule

BY CHRISTINE MOIR

A CALL for the abolition of the 25 per cent. surrender requirement on the sale of foreign securities is to be made to-night in the House of Lords.

The rule, under which 75 per cent. of the proceeds of sales of foreign stocks attract the investment premium, while the remainder has to be sold at the less advantageous official exchange rate to benefit U.K. reserves, was introduced as a temporary measure in November, 1963.

Now, in view of the EEC move to abolish restrictions on international capital movements by the end of December, Lord Terrington and Lord Cullen are expected to call for the abolition of the surrender rule on all foreign stocks, including those of the former Sterling Area countries.

Alternatively, they may recommend reduction of the percentage from 25 to 10 per cent., arguing the increased volume of

business, which the London market would then attract, would more than offset any loss to reserves under the present rule.

The average accrual to reserves in each of the past five years has been £174m. If turnover of foreign stocks rises from the present 15 to 20 per cent. a year to somewhere near the 40 per cent. turnover in U.K. equities (which attract stamp duty at 2 per cent.), Lord Terrington will argue the gain to reserves would be £163m.

In addition, there would be further invisible earnings (from commissions and fees) of an extra £30m, at least, according to Lord Terrington.

Lord Cullen is likely to argue the improvement in the country's reserves at present makes abolition of the surrender rule timely. The call for the reduction of the percentage is supported by the Stock Exchange and is something the Association of Investment Trusts has been urging for some years.

Hazard risk at chemical project, claims expert

PETROCHEMICAL developments in Fife, Scotland, could result in deaths and destruction, a hazard expert warned yesterday.

Professor D. J. Rasbash, of Edinburgh University, was speaking at the Dunfermline public inquiry into Shell/Esso's proposed £400m. petrochemical development at Mossburn and Braefoot Bay.

He believed there was a significant risk of an explosion or a serious leak of an open flammable gas, resulting from leakage or failure of equipment containing high-pressure gas liquids at Braefoot Bay.

"Such an incident would cause many deaths and much damage. I suggest the risk of this kind of incident should be reduced to such an extent that it should have a probability of occurring less than once in a million years."

"Such evidence as I have indicates the standard of safety may fall well below this level. I recommend that the companies reconsider their proposal," said Professor Rasbash, hazard expert witness for the main objectors, the Aberdeen and Dalgely Bay Action Group.

Football trust loses charity appeal

THE FOOTBALL Association Youth Trust—set up to promote football—could not be regarded as a charity, no matter how desirable the discovery of budding football stars might be, a High Court judge ruled yesterday.

Mr. Justice Walton allowed an appeal by the Inland Revenue (14) against a decision by the Charity Commissioners to register the Football Association Youth Trust as a charity.

The ruling means that the trust, in its present form, is not entitled to the tax concessions enjoyed by charities. The decision is expected to affect the structure of several similar sporting trusts for cricket and rugby football, whose registrations as charities are being held in limbo by the Charity Commissioners.

The judge was told that the trust's revenue had agreed to pay the legal costs of the three trustees named as representatives of the trust—Professor Sir Harold Tompkins, chairman of the FA; Leonard Shipman and Mr. Jimmy McMillan.

In giving his decision, the judge said that the trust was set up in October 1972 with a £100 million from the FA, to provide educational and sports facilities for pupils at schools and univer-

sities in the U.K. "It is quite clear that its object is to promote the playing of games and sports, especially association football, and it appears to me that, if that was all there was in it, it cannot possibly be charitable in law," he said.

The trust fund, which is now thought to contain a considerable sum, has been frozen since the legal action was started two years ago. Yesterday's decision means that the trust may have to forfeit the return of tax payments for those two years.

Derbyshire to cut spending

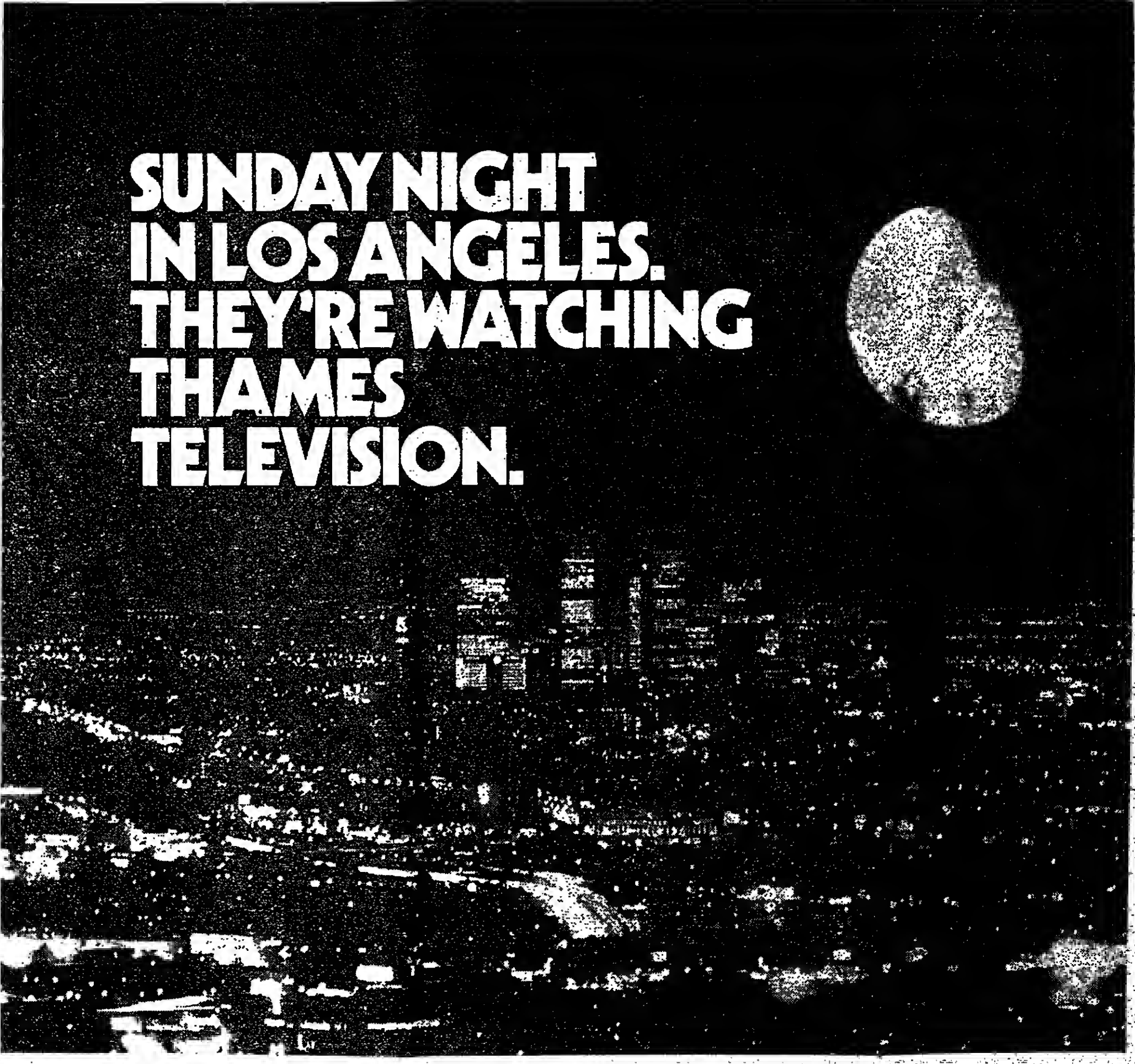
THE NEW Conservative-controlled Derbyshire County Council plans to remove over £2.5m. from this year's rate-borne budget involving the withdrawal or deferral of 25 capital schemes.

Cuts of £1m. are planned in education expenditure, including reduction in furniture and equipment, economies in swimming programmes and on some youth clubs.

Domestic furniture sales up

WESTERN FURNITURE sales in July totalled £37.3m, according to provisional estimates by the Department of Industry.

The index of orders on hand (1970=100) at end-May on a seasonally-adjusted basis showed a further decline in a provisional figure of 133 (20 per cent. lower) than the volume of orders held by manufacturers a year earlier.



SUNDAY NIGHT IN LOS ANGELES. THEY'RE WATCHING THAMES TELEVISION.

We've been selling programmes to the USA for years. But never before in this way: 13-week runs of two-hour presentations. So, regularly on Sunday nights, ten million Los Angeles viewers can sit down and watch two hours of British programmes.

Yet in all this we're not making a single production especially for America. We're selling the programmes we make in London for British viewers. In Los Angeles, the entertainment capital of the world, they wouldn't have it any other way.

American interest in Thames output has rocketed since we took over a New York television station for a week last year to showcase our programmes.

The Los Angeles season is one result of that enterprise. Other big cities like Chicago and Detroit, and the national networks, are enthusiastic. And we'll be in New York again later this year.



Thames Television International: British programmes for the world

Thames Television 306-316 Euston Road London NW1 3BB 01-387 9434

Handwritten signature or mark at the bottom of the page.

Technical Page

EDITED BY ARTHUR BENNETT AND TED SCHUETTERS

DATA PROCESSING

Allied opts for a grass-roots answer

THOUGH leading figures in the computing industry, such as Gene Amdahl, have tended to pour cold water on the hopes of the partisans of distributed data processing in the effect that the current "aspiration" explosion for the concept is far beyond what can be achieved, this is not preventing some major companies from making the move towards distributed systems.

Latest announcement in this development comes from Allied Bakeries which is to have some £2.1m-worth of Honeywell computers. These will be installed in a two-tier structure with 44 small machines set up to provide the same number of bakeries with more decentralised control over their own operations, and two very large central computers giving the management better access to up to the minute information on how the company is performing.

One of the system's basic tasks will be to establish a daily order and loading pattern for each of many thousands of delivery vans and shop vehicles, together with the production, despatch and loading summaries.

Much of this documentation has had to be produced centrally. Now it will all be available locally, sharply reducing the time involved.

The Hemel Hempstead system centre will have the responsibility for developing the equipment for the local operations.

Honeywell describes the contract as a classic example of the Distributed Systems Environment to which it formally committed itself earlier this year. All machines should be in and working by the end of next year. More from the company on 01-565 9191.

Network is GKN aim

GKN Technological Centre at Wolverhampton has ordered a GEC 4070-based OPUS multi-access system valued at approximately £85,000, to replace a venerable Elliott 803 which was supplemented by a link to a large machine.

The organisation's technical computing activity will be comfortably accommodated with significant improvements in service and performance, and there will be scope for the use of much more sophisticated programs.

Major items are a GEC 4070 processor, 160 kilobytes of core store, 1.5m 5.25" disc units, 90 cm plotter, paper tape equipment, 300 lpm line printer and three visual display units. Computers to be provided are Babbage, Fortran, Basic and Algol—much of the Elliott 803 work having been in Algol initially; the system will be capable of supporting eight users and expansion to 16 users is planned.

More details of the job from GKN on 01-955 2030.

Changes in Total

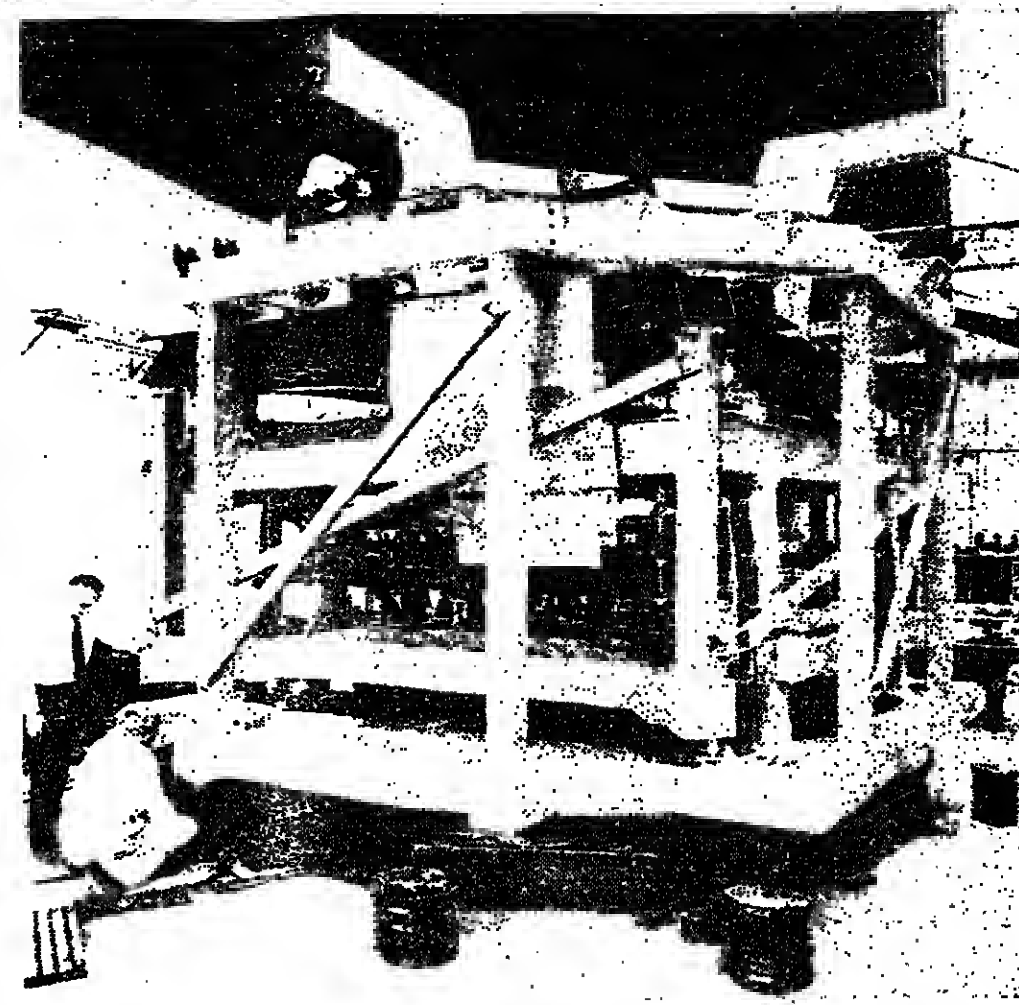
CINCOM Systems reveals two developments in Total, the database management software suite which the company claims to be the world sales leader in its class with 2,000 installations worth \$50m.

For IBM users a new release of the software offers standardisation and compatibility for all 380/370 users—the software no longer has to be tailored to suit specific installations. Total can now run under all IBM operating systems.

At the same time the company has announced the availability of a version for the Honeywell Series 60 Level 66 computer. This means that Total is now available for 14 different makers' hardware in 40 operating systems. The Honeywell version will sell at £22,500 or can be leased at £575 a month.

For agreement between the Financial Times and the BBC, information from The Technical Corporation's External Services source material for its overseas broadcasts.

Intended to measure six values during the wind-tunnel testing of cars and light lorries is this 32-ton balance which has cost General Motors the best part of the £400,000-worth of contracts it awarded to TEM Engineering of Crawley some four years ago. Shown during final testing, the unit is to be installed beneath the floor of the wind-tunnel at the GM Warren Technical Centre in Michigan, U.S. The vehicles will be placed on its turntable and actively tested under various simulated speeds. Aerodynamic forces will be sensed and measured by the six weighbeams in the device. These are servo-controlled and mounted on interleaved movable frames, themselves suspended on metal flexures. Electrical signals from the weighbeams are presented on a display panel in digital form and are available for recording and subsequent data processing. Accuracies which will be achieved will be to one part in 10,000. To measure similar values in the same tunnel, a six-component strain gauge balance is being built. More on 0293 31244.



INSTRUMENTS

Portable recorders

RECENTLY launched by Gould Advance is the 8000 series of recorders which make use of a high-contrast thermal writing technique developed by Gould-Alloy in France.

Offering a variety of signal conditioning options, the recorders can be used in a wide range of industrial, scientific and biomedical measurement applications. They can be left unattended and also have the advantage of good trace quality at the lowest prices.

There are six basic models with from one to eight channels with a choice of eight push-button selected chart speeds ranging from five to 100mm/sec. The plug-in signal conditioners include a true root-mean-square level converter, a thermocouple amplifier with calibrated zero suppressing a simple voltage pre-amplifier, a frequency deviation converter (centred on 50, 60 or 400 Hz) and a dc bridge pre-amplifier.

More about the recorders, which will work in any position and in moving vehicles, from Raynham Road, Bishop's Cleeve, Herts. 10279 55151.

FINISHING

Powder coating car bodies

ALTHOUGH THE British motor industry is not yet making use of electrostatic powder coating for finishing car bodies, the process is gaining ground overseas.

In Japan, Honda "Civic" car bodies have been primed in a powder coating plant for over three years. Using a DeVilbiss installation supplied from the U.S., production rate is 700 bodies/day. Another DeVilbiss installation has recently been commissioned at the Datsun works where it is being used for finishing coats on commercial vans and pick-up trucks.

The U.K. and German subsidiaries of DeVilbiss are now completing a plant in Sirely which will be used to prime Fiat 127 and 131 car bodies. This plant, which will have a maximum production rate of 850

bodies/day, is due to be commissioned when the plant is shut down for the summer holidays. The installation costs about £700,000.

The Fiat plant is based on what is known as the "inversion" process. The first priming coat is applied by electrostatic powder coating, and this is followed by electrophoretic dip priming. It is used to coat cycle frames at 15 ft/min, while at Crompton Parkinson a 20 ft/min line is due to come on stream in about two weeks' time which will be coating 10,000 sq ft/hr.

These lines were installed by the U.K. agent for the process, Electropaint, of Lichfield, Staffs. (05452 51481), and it is understood from this company that discussions concerning the design of a line for the motor industry are in progress.

The DeVilbiss U.K. company is at Ringwood Road, Bournemouth, Hants. BH11 5LH (02016 71111). TONY FRANCE

High degree of polish

POLISHING down to a centre line average, measured by Talsurf, of one micro-inch is feasible with a new development by Precisionlap from a previous model.

Plate size is 400mm and a single 1-hp motor will drive the lapping plates at 2 to 60 rpm. Applied loads may be altered during the lapping cycle, the actual value being indicated consistently on a meter.

The operator can recondition the lap plates at any time, merely by running them together. A slurry recirculating system is provided for polishing work. Precisionlap, Doman Road, Yorktown Industrial Estate, Camberley, Surrey GU15 3DF. 0276 27123.

PACKAGING

Big line is assembled

ONE OF THE most advanced packaging lines so far ordered for the U.K. food industry is being assembled by Rockwell Packaging Machines (TT Group) at the Autopack factory in Malvern for the delicate task of filling varied content packs with a high fat content, and thus spoilable, product.

It is a complete bag-in-the-box line which has two vertical bag form, fill and seal machines (Rovema V.150), each with a triple set of Autopack Dialaweight vibratory feed weighers, synchronised with a continuous motion cartoning machine by Restell.

This Dialaweight equipment is suitable for filling many kinds of powdered, granular and piece-type products and can handle

quantities from a few grams up to 6 kilos at speeds up to 75 packs a minute.

The weighers are being put into the line complete with flexure balances and electronic controls.

In this instance they will handle packs from four to 16 ounces. Product will be filled at 55 packs per minute for each of the Rovema form and seal machines and for the first time, so far as vertical bag fill and seal machines are concerned, the 26 microns thick impulse weld-type product can handle able parchment.

CALCULATORS

Yet more versatile

THINGS have changed a good deal since Hewlett Packard introduced the 40 lb £4,000 desk-top calculator in 1967.

Ten years of progress in integrated circuits, displays and miniaturisation in general have resulted in an ever-increasing facilities-to-weight ratio so that the latest hand-held machine weighs only 12 oz but is, rather incredibly, equipped with a miniature thermal printer as well as a ten-digit LED display.

The company says it has detected a need for a straight-forward, four-function, hand-held machine with memory, able to give hard copy—in many offices where financial and cash calculations are carried out, there is a requirement for the numbers to appear on a piece of paper.

In this process an ionised cloud of paint particles is generated in a rotating tunnel made of dielectric materials. At present the system is confined to medium sized components in the U.K. For example at Raleigh Industries it is used to coat cycle frames at 15 ft/min, while at Crompton Parkinson a 20 ft/min line is due to come on stream in about two weeks' time which will be coating 10,000 sq ft/hr.

These lines were installed by the U.K. agent for the process, Electropaint, of Lichfield, Staffs. (05452 51481), and it is understood from this company that discussions concerning the design of a line for the motor industry are in progress.

The DeVilbiss U.K. company is at Ringwood Road, Bournemouth, Hants. BH11 5LH (02016 71111). TONY FRANCE

At the other end of its pre-arranged range the company has produced the HP-92, a desk-top printing calculator which combines full financial evaluation ability with mathematical and statistical functions.

Typical of the machine is its ability to deal with depreciation on a straight line, sum of the year's digits, or declining balance basis—there is a key for each. Price is £475.

Also introduced is the 29c, a scientific pocket machine with 88 fully merged program steps for a straight line, sum of the year's digits, or declining balance basis—there is a key for each. Price is £475.

Hewlett Packard is at King Street Lane, Wincoburn, Wokingham, Berks RG11 5AR (Wokingham 784774).

Masonellan in control Miniork automatic throttling butterfly valve

Masonellan Ltd Controls House Park Royal Rd London NW10 7LD Tel 01-963 8966

BE The British Engineers

COST EFFECTIVE PRODUCTION

Rivet setting, automatic parts feeding and assembly, net weighing machines—all make an essential contribution to efficient production. For this cost saving equipment, wise executives turn to one source of supply—the members of the BE Group. Are you keeping pace in these competitive times?

Send today for The Guide to the BE Group

Group Head Office: Edward Engineering Ltd, P.O. Box 2, Maresfield Road, Ashbury, Bucks. HP 21 0AA. Tel. Ashbury (0295) 5811. Telex 83210.

6 Months.

	(Thousands of dollars)	
	1977	1976
AVCO CORPORATION		
REVENUES Financial services	\$389,533	\$353,418
Products and research	291,015	271,765
Recreation and land development	44,499	27,015
	\$725,047	\$652,198
EARNINGS Financial services	\$ 29,186	\$ 18,729
Products and research	18,155	14,980
Recreation and land development	(2,377)	(7,546)
	\$ 44,964	\$ 26,163
UNREALIZED GAINS ON FOREIGN EXCHANGE FLUCTUATIONS	\$ 345	\$ 7,278
EARNINGS FROM CONTINUING OPERATIONS	\$ 45,309	\$ 33,441
DISCONTINUED OPERATIONS	\$ (400)	\$ 20,398
	\$ 44,909	\$ 53,839
EXTRAORDINARY TAX CREDIT	\$ 6,413	\$ 5,200
NET EARNINGS	\$ 51,322	\$ 59,039
Per common share, primary	\$ 3.91	\$ 4.41
Per common share, fully diluted	\$ 2.21	\$ 2.60

AVCO DIVISIONS AND SUBSIDIARIES:

FINANCIAL SERVICES
Avco Financial Services, Inc. • Carte Blanche Corporation • Cartan Travel Bureau, Inc. • The Paul Revere Companies

PRODUCTS AND RESEARCH
Avco Aerostructures Division • Avco Electronics Division • Avco Eterett Research Laboratory, Inc. • Avco International Services Division • Avco Lycoming Division - Stratford, CT • Avco Lycoming Division - Williamsport, PA • Avco Medical Products Division • Avco New Idea Farm Equipment Division • Avco of Canada, Ltd. • Avco Systems Division • Ben-Mont Corporation

RECREATION AND LAND DEVELOPMENT
Avco Community Developers, Inc. • Avco Embassy Pictures Corp.

Write today for a copy of our 6 month report.



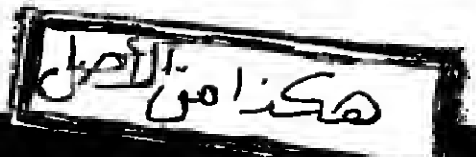
...80,000 m² of super-stressed multi-panelled flexiglass over a congranium-coated plasteel frame and the architect thinks he could get a design award, sir, sign here...

National Westminster Bank

Chaplam North Branch
35 Chaplam High Street, London SW4 7TT

A bank that can do one million things only

01/10/50



Anger erupts over attack on Roy Jenkins 'lies'

By Peter Owen, Parliamentary Correspondent

Anger broke out in the Commons when Mr. Dennis Austin, the party's former leader, who is now president of the EEC Commission in Brussels, defended Britain's right to safeguard her own interests. He asserted that Britain's performance in the Council of Ministers had been largely misunderstood because of the partiality of the reporting from Brussels.

Starting off the rumpus, Mr. Skinner, MP for Bolsover, said that despite the Foreign Secretary's "starry-eyed endorsement" of the Common Market, recent opinion polls showed that the majority of British people wanted to get out.

He suggested that Dr. Owen should give a message to "that other Euro-fascist Roy Jenkins." The more Mr. Jenkins made his arrogant speeches in Britain attacking Labour MPs, who had voted against the direct elections Bill, and the more "he lies about the successes of the Common Market," then the more the British people would come to understand that he was the man who "lined his pockets all the way to Brussels."

As Dr. Owen tried to reply, Mr. Andrew Fipke (Lab., Warrley E.) intervened with a point of order. Showing to make himself heard above the hostile jeers of his Labour colleagues, he asked whether it was proper to use the word "fascist" in connection with a most distinguished ex-

member of the House who was now serving his country abroad. When the Speaker intervened to say that it was certainly a distasteful expression, he was taken up by another Left-winger, Mr. Eric Heffer (Lab., Walton), who wanted to know why it was distasteful for Mr. Skinner to say that certain people had gone to the Common Market for huge salaries.

Eventually, Dr. Owen was able to observe about the blubbery Mr. Skinner should not have made such a statement about somebody who had served the House and country with great distinction. He respected Mr. Skinner's right to hold a different view, but it was improper to use that sort of language and he suggested that he should withdraw the remark.

From the Conservative benches, Mr. James Scott-Hopkins (C, Derbyshire W.), deputy leader of the Tory delegation to the European Parliament, described Mr. Skinner's outburst as contemptible. But an inevitable fact of political life, he said, was that the six months of Britain's presidency of the EEC had not been a great success and that the activities of Labour Ministers had lowered the standing of this country.

Tory wants inflation rate posters displayed

By Peter Owen, Parliamentary Staff

A MAJOR publicity campaign highlighting the dangers and evils of inflation in dramatic terms was advocated by Mr. Peter Viggers (C, Gosport), a merchant banker, in the Commons yesterday.

As a first step—but one which he is likely to lead to any further progress in legislative terms—the success fully sought was to introduce a private members' Bill to provide information about inflation.

Mr. Viggers argued that the Government's attempts to talk down inflation had failed and would be achieved by concentrating publicity on the annual rate and its effect on capital and income.

Few people seemed to realise, he said, that the current rate of inflation of 17 per cent would result in the value of money, in real terms, being halved over four years.

One of the provisions of his Bill would require posters to be displayed in Post Offices announcing the annual rate of inflation for the current quarter.

Mr. Viggers suggested that the effects of inflation on savings should be brought home to the public by Government warnings similar to those drawing attention to the health hazards of smoking. He wondered whether "Warning Savings can damage your wealth" might be a suitable cautionary slogan.

Adding that he was not out to undermine and attack personal savings, Mr. Viggers declared: "My intention is the opposite. I want to restore honesty and elementary common sense to a subject which is widely misunderstood."

Suspensions still abound over role of radio

By Philip Rawston

BACKBENCH MPs of all parties yesterday protested vigorously against any scheme to exclude them from radio broadcasts of the Commons. Nearly 100 signed a Commons motion which stated flatly: "This House will not agree to front bench speeches alone being broadcast."

In the Lords, at the same time, peers anxiously queried the BBC's reasons for broadcasting its present report on the day's Parliamentary proceedings after "Book at Bedtime" as if it were intended for hard-core insomniacs.

The moves are symptomatic of the suspicion and concern with which many politicians still regard the intrusion into the Westminster club of radio microphones, let alone television cameras.

"Parliament must come much more into the public eye and ear," Lord Selwyn-Lloyd, the former Speaker of the Commons, declared last year.

But it is one of the historical curiosities of Westminster that while individual MPs actively court publicity, the Commons collectively shows a strange reluctance to expose itself unduly to strangers.

The Government will pay some £200,000—just over half of it to convert premises in the former enlarged BBC team, the rest for the commentary boxes already constructed in the Commons and Lords chambers. The BBC will pay for the annual running costs of some £70,000 and provide a service, at a nominal fee, to independent radio and other outlets.

Until the full facilities are available for a permanent service in February next year, the BBC is prepared to begin a limited service of broadcasts and recordings for television and current affairs programmes from the opening of the new session in November.

The Queen's Speech and the Commons debate that follows were considered to be the right occasion for inaugurating the new service.

But yesterday's events in both the Commons and the Lords again threaten to delay the plans. Peers were assured that the BBC's switching of "Today in Parliament" was designed to produce a better pattern of programmes and did not imply any diminution of the importance of its Parliamentary report.

But while Lord Peart, for the Government, and Lord Carington, from the Tory front bench, looked forward to live broadcasts, they were renewed mutterings from backbench peers.

Lord Davies of Leek, glaring up at the empty commentary box aesthetically fitted into the centre of the Press Gallery, suggested it would make a better pigeon loft. It is unlikely, however, that the Lords will present any real obstacles now to the broadcasting plans.

The broadcasters are concerned, however, about the effects of the Commons motion of yesterday by Mr. Michael Foot, Leader of the Commons, is eager to introduce live broadcasts and the voices of protest raised yesterday are likely to be over-whelmed.

The success of radio broadcasts may then determine whether and when the television cameras are allowed to extend further the channels of communication between Parliament and its people.

It is ten years now since the late Richard Crossman gave the Commons its first opportunity to vote on the issue. Television was then barred by only a single vote—but the Commons has grown more camera-shy since then.

It is likely to be several years yet before Parliament turns with the confidence of even Europe's newly-emergent democracies to debate the nation's affairs in the full light of the cameras.

Warning on two-party system

THE two-party system is being eroded and will reduce both the Tories and the Labour Party to a mere shadow of their former selves, a Tory spokesman said yesterday.

"People have become disenchanted with ceaseless cross-party argument," he said.

He was a strong supporter of the two-party system, but unless its efficacy was restored, the public would be left upon

changes—and they would be right. In the absence of greater stability and national success, Mr. Pym said that the erosion of support for the two main parties was likely to continue.

"The effect will force us some how to make that system work again, or to make drastic adjustments to it, or abandon it altogether," he declared.

Progress

It is now 16 months since the Commons—after a highly successful experiment in radio broadcasting—voted in principle to be heard, though not seen, throughout the country.

The decision marked a major development in Parliament's relation with the electorate, and a natural step in the progress that began with the opening of the official Press Galleries in the 1930s.

This week, the BBC announced that agreement had at last been reached with the Government over the allocation of the costs

Protest over Chile visitors

VISITS TO Britain by four Chilean Ministers drew an angry protest from Mr. Martin Flannery (Lab., Hillborough) in the Commons yesterday.

Mr. Ted Rowlands, Foreign Office Minister of State, stressed that the visits had been private—not official.

He told Mr. Flannery that they had been visits by four Ministers of the Chilean Government—the Ministers of Labour, Foreign Affairs, Finance and Mining.

Mr. Flannery claimed there was "deep concern throughout the entire Labour movement" about the matter.

Mr. Ronald Bell (C, Beaconsfield) argued that there were many such visits from Ministers of Socialist and Communist countries "with less than perfect democratic institutions."

MPs agree to new sentences proposal

GOVERNMENT PLANS for new short, sharp, shock sentences were approved in the Commons last night. Under the proposals, courts could sentence adults to serve a small part of their term in prison and the rest would be suspended.

Calling for MPs' approval, Mr. Brynmor John, Home Office Minister of State, said criminologists thought the fact of imprisonment was the greatest deterrent, but that sentences should not be unnecessarily prolonged.

He rejected fears on the report stage of the Criminal Law Bill that the system would lead to an increased prison population.

Mr. John said that the new system gave the courts "maximum flexibility."

Mr. Patrick Mayhew (C, Tunbridge Wells) from the Opposition front bench, said: "We see this as an additional weapon in the armoury which the courts can bring to bear in the fight against crime."

But the Opposition would have liked to see some form of supervision for the suspended part of the sentence.

Turning to a Tory proposal that defendants who plead guilty should automatically get their sentence cut by a quarter, Mr. Mayhew said this would make open and certain what was at present covert and uncertain. It was already a widespread but unwritten practice.

The move would save time and expense and speed up many cases. "There will be a far greater chance of the guilty man saying 'I will take my chance,' but 'I will settle for 25 per cent off the tariff sentence,'" Mr. Nicholas Fairbairn (C, Kinross and West Perthshire) said that a reduction in sentences for those who were honest enough to admit a crime would contribute to the administration of justice.

Mr. Christopher Price (Lab., Lewisham W.) said the Tory move on guilty pleas should be rejected. He was unwilling to give the legal profession and the police more shots in their locker to twist people's arms into pleading guilty.

The Government's new sentencing proposal was written into the Bill without a vote and the Tories dropped their move for cutting sentences after guilty pleas.

Cameras

But Mr. Michael Foot, Leader of the Commons, is eager to introduce live broadcasts and the voices of protest raised yesterday are likely to be overwhelmed.

The success of radio broadcasts may then determine whether and when the television cameras are allowed to extend further the channels of communication between Parliament and its people.

It is ten years now since the late Richard Crossman gave the Commons its first opportunity to vote on the issue. Television was then barred by only a single vote—but the Commons has grown more camera-shy since then.

It is likely to be several years yet before Parliament turns with the confidence of even Europe's newly-emergent democracies to debate the nation's affairs in the full light of the cameras.



Mr. Thatcher and her senior front-bench colleagues, pictured for the first time in the new "Shadow Cabinet" the Commons which was made available to the Opposition earlier this year. Left to right: Mr. Nicholas (Wales); Mr. Alrey Neave (Northern Ireland); Mr. Teddy Taylor (Scotland); Lord Carrington (Leader in the Lords); Mr. William Whitelaw (Deputy Leader and Home Office); Mrs. Thatcher; Sir Keith Joseph (Industry); Mr. Maude (a Deputy Chairman of the party); Mr. Francis Pym (Devolution and House of Commons affairs); Mr. Giddin (Social Services); Mr. Tom King (Trade); Mr. Humphrey Atkins (Chief Whip); Mr. Norman St. John-Stevenson (Chairman of the party); Mr. John Nott (Energy); Mr. James Prior (Employment); Lord Hallahan (Without Office); Mr. John Davies (Foreign and Commonwealth affairs); Sir Ian Gilmour (Defence); and Mr. Michael Heseltine (Environment).

Market food prices claim

SUGAR, BUTTER, cheese and beef would be cheaper if Britain were not bound by the Common Market's agricultural policy, anti-market food prices claim yesterday.

The Safeguard Britain Campaign also said that Britain now paid more for wheat, barley and maize because of Common Market policy.

Belize talks planned

MR TED ROWLANDS, Foreign Office Minister of State, who is to visit Guatemala soon for further talks on Belize told MPs yesterday that he believed both sides in the dispute wanted to reduce tension and resume the search for a negotiated settlement.

Sit-ins 'best settled at local level'

MRS. SHIRLEY WILLIAMS, Education Secretary, has declined to give guidance "from above" to Polytechnics on how to deal with student sit-ins.

Mrs. Williams has written to the Association of Polytechnic Teachers expressing her concern about the impact of sit-ins on further students and the general public. "But I am convinced that solutions can best be found at the local level by those who have clear and direct responsibility," she says.

The Minister's comments, in a reply to a letter from the association, were repeated in a Commons written reply to Mr. Alan Beith (L, Berwick).

Mrs. Williams said in her letter that she agreed with many of the points the teachers had made about the consequences of the sit-ins for the staffs and students of the institutions involved.

But given that student discipline was a matter for the governing body and director concerned, and that circumstances differed between one case and another, she did not believe that the teachers' call for guidance "from above" was likely to prove helpful.

Do you actually know what you're signing for?

Whether you want an office block or a factory, a supermarket or a school, commissioning a new building can mean taking decisions involving hundreds of thousands of pounds.

You sign the cheques, and you're responsible to your shareholders or ratepayers—yet it's unlikely that you've got any more experience with the building industry than anyone else in your organisation.

So, how do you provide yourself with a failsafe? You could call in a collection of professionals, and either trust in their integrity or trust to your luck.

Or you could call in a team of professionals, such as the Lesser Design & Build team.

Design & Build. What's the difference? Simple: the Design & Build concept places everything in the hands of one organisation, with one source of responsibility. That way, if anything should go wrong, you know exactly where to go for redress. Save time and money. Lesser have frequently cut pre-construction time by up to 75%, total project time by up to 50%, and overall costs by up to 10%. (And remember, 10% of a £1m contract is £100,000—money which can be used for further development and expansion.)

"The Professionals"

To help you understand a little bit more about building (and what can go wrong if there's no proper control) Lesser have commissioned a light-hearted guide to the construction industry: "The Professionals"—and how to understand what they're talking about.

Its tone is irreverent—but its facts are rock-solid. If you're ever likely to be signing a cheque for a new building, you'll find "The Professionals" worth its weight in gold. Because, the next time you're talking with one of the professionals, you'll know exactly what he's talking about.

And, more important, you'll be able to tell whether he knows what he's talking about...

Next time an architect or a builder talks to me, I'd like to know what he's saying. Please send me a copy of "The Professionals".

Name _____
Position _____
Company _____
Address _____
Tel _____

FT 11/7

Smith view 'disappointing'—Owen

A STATEMENT issued by the Smith Government in Rhodesia on Tuesday about the progress of the Anglo-U.S. settlement talks was disappointing, Dr. David Owen, Foreign Secretary, said in the Commons yesterday.

He said there were conflicts between the statement and reports he had received from Mr. John Graham of the Foreign Office, and the U.S. envoy to Zambia, Mr. Stephen Loy.

Dr. Owen told MPs he intended going to Washington on Saturday next week for talks with Mr. Cyrus Vance, U.S. Secretary of State.

Mr. John Davies, Shadow Foreign Secretary, said he was anxious that Parliament should not go into the summer recess in a state of uncertainty about Rhodesia.

Reference to the people of Rhodesia through the ballot box could not be achieved without proper advice from Salisbury itself. He urged the Government to set up a mission in the Rhodesian capital.

Abortion Bill advances

THE BILL aiming to toughen the abortion laws completed its committee stage yesterday after a marathon 88 hours of debate and three overnight sittings.

The Abortion (Amendment) Bill, which would cut the time limit for abortions from 28 weeks of pregnancy to 20, now joins the queue of Bills waiting to be considered by the Commons before the end of the month.

These securities having been placed privately outside The Netherlands, this announcement appears as a matter of record only.

Dfls 75,000,000

UNITED MEXICAN STATES

8 3/4% Bearer Notes 1977 due 1982

Algemeene Bank Nederland N.V.
Westdeutsche Landesbank Girozentrale
Swiss Bank Corporation (Overseas) Limited
Amsterdam-Rotterdam Bank N.V.
Bank Mees & Hope NV
Piszon, Holding & Piszon N.V.

July 14, 1977

LESSER
DESIGN AND BUILD DIVISION

The Lesser Building, Staines Road, Hounslow, Middx TW3 3JB Tel: 01-570 7755

PACKAGING
ig line is assembled

CALCULATORS
et more versal

Mason
in cont
Automatic throttling

BE
The British Engineers

Over-stressed
ciglass over
ited plasteed
hitect

National Insurance
One million

Programme to keep auditors' standards up to scratch

BY DAVID HOBSON



Mr. David Hobson

MOUNTING criticism in the Press and elsewhere in recent months has caused the accounting profession to feel itself to be under fire. Some of these comments have been based on specific remarks by inspectors of the Department of Trade in their reports which have been used as a basis for general and largely unjustified criticisms of the profession as a whole. While it is easy to join in this chorus, I suggest that we should think before raising our voices lest there is over-reaction. Then the cure may be worse than the disease.

There is, in the first instance, a certain lack of understanding as to the role of the auditor and the division between his work and that of the directors of the company being audited. The basic responsibility for preparing annual accounts lies with the directors. The auditor provides an independent report on the accounts which the directors have presented. Specifically, he is required to report whether, in his opinion, the company's accounts give a true and fair view of the state of the company's affairs at a given date, and of its profit or loss for the year. He also has to report that the accounts comply with the Companies Act and to consider whether proper accounting records have been maintained and whether he has had the information and explanations be required.

In 1962 the Jenkins Report recommended that the Companies Act should include a statement of the basic principles underlying the relationship between the directors and their companies, including the duty to observe good faith and to act in the company's best interest and provide financial penalties for breaches of these rules. I regard the omission of this recommendation from the 1967 Companies Act as the most serious defect, one which was not remedied even in the 1976 Act. This may not have mattered in the best conducted companies where there is an experienced board and sound procedures, but in a number of smaller companies, directors, possibly through a lack of understanding of their responsibilities, may have failed to act properly in certain respects affecting the accounts.

Sensing this problem, the Institute of Chartered Accountants, together with the Institute of Directors, published in 1970 guidance on the Financial and Accounting Responsibilities of Directors, but this could only

be a partial palliative for the lack of effective legislation. Besides the fiduciary relationships, it drew attention to the directors' duty to see that the company's business is properly managed and its assets safeguarded and the need to exercise reasonable care in so doing. In the absence of legislation on this subject, there is clearly a need for some Boards to improve their procedures for reviewing the conduct of their business and matters affecting their accounts and it may be that in some cases the establishment of audit committees of non-executive directors or some form of two-tier board may be helpful.

In the 1980s, following the problems of the GEC/AEI merger and Pergamon, it was felt that accounting had become unduly permissive. As a result, the accounting profession set up the Accounting Standards Committee. While directed primarily at an improvement in the standard of published accounts and in reducing areas of difference, this inevitably affected the auditor, in that he was required to report if standards had not been followed. Thus the development of accounting standards in the 1970s has, of itself, made for substantial improvements in the presentation of accounts and in their audit.

From time to time some of the exposure draft standards have come in for criticism, but there is a need to continue with the programme of developing accounting standards which achieve a broad measure of acceptability among company and public accountants and users of financial accounts.

From recent comments made from both inside and outside the profession it might be concluded that there is no general agreement as to what constitutes a desirable standard of audit. This is misleading. The Institute of Chartered Accountants has made great efforts to improve and publicise its audit procedures and as a result U.K. audit standards are of as high a quality as any in the world. Also in the 1960s, the Institute started to publish a series of statements on auditing. These have withstood the test of time. For several years, there have been courses on many aspects of auditing in which professional firms have willingly given of their time and resources to provide technical training which is available to all members of the Institute. Typical subjects include computer auditing, quality control of audits and specialist auditing techniques.

In addition, many auditing firms have developed manuals of auditing procedures and have specialist departments which keep their partners and staff up to date on technical developments. They also have specific procedures for reviewing the quality of audit work and encourage consultation on matters of difficulty. "In-house" training occupies a substantial and increasing amount of time and effort.

Obliged

Second, mandatory standards are being developed. The Auditing Practices Committee has been established and has been charged with the preparation of such standards which will lie in the hands of the Institute of Chartered Accountants. They will differ from the Institute's present standards in that they will be explicitly obliged to audit in practice, or to say so if they do not. Third, there is the test of time. It is essential to ensure that adequate standards are being developed. The Auditing Practices Committee has been established under the chairmanship of Lord Cross of Chelsea and the whole field of its procedures. So far, there has never been a complaint as to the adequacy of the standards available in the field of auditing. The problem as to how disciplinary action should be taken in negligence cases will be easier to deal with when auditing procedures have been produced which will then be possible to apply. Even then it is necessary to avoid any interference with the processes of the profession. Many people may ever, that the public of an auditor guilty of a lapse is often sufficient to point home, to the risk of civil proceedings for negligence. Fellow of the profession take the criticism and man carefully whether lessons to be learned from own practice. While I support the strong disciplinary procedure, should be approached with some limit. Over many years the nation of the causes of disasters and insolvencies has been a spur to improve everyone seeks to minimize the risk of similar failures. However, it is pretended that it is possible to eliminate any poor professional performance in the future.

No scratch gains are to be made from every surgeon along a perfect operation. The childhood scars of playing surgeon's role, my appendix after dinner but nevertheless usually be did and I quote these words because many audit can be traced to impulsive decision which is wrong or to a lack of foresight for the common human fall professional man can go through his career meriting some credit a good deal can be done to reduce the of poor work and continuing improvement standards of performance.

The course of the necessary is known however, a need to about the speed. The duty to report to the shareholders and not to the management, and the auditor's against the compulsion of the Accounting at the Institute's special week to a large degree from some build up of the pace being imposed. There is a need for a particularly frequent of the amount of legislation which the professional man is expected to assimilate and to put in present circumstances opt for general improvement in the management of a company to at a pace which is accepted and maintaining on what is good in introducing ill-conceived measures.

On the whole they have stood

Stress

In most cases audits have been completed to everyone's satisfaction. Inevitably, there must be a few where performance has in some way been sub-standard and this risk is always accentuated in times of financial stress. In some cases of company failure, it will be justifiably said that the directors and auditors might have done better. On the other hand, what the public does not see is the number of cases where prompt and helpful advice from the auditors has saved a company which would otherwise have gone into liquidation thereby preserving the business and the employment which goes with it. Besides this the auditor often makes a great contribution to the better presentation and clarity of published financial statements.

The fact remains, however, that in spite of all that has been said and is being done to provide safeguards as to the quality of published accounts and the auditors' reports on them, further steps are still needed to eliminate some of the causes of disquiet and to reduce the risks of further avoidable criticisms.

First, the auditor must be independent and be seen to be independent. He must be professionally qualified and have a sufficiently disinterested position and approach to be able to report what he finds. Independence stems from a number of sources.

The appointment of the auditor by the general body of shareholders and not by the management, and the auditor's duty to report to the shareholders and not to the management, is of great importance in safeguarding his independence of outlook. A further factor in maintaining the legal requirement that he should state in his report if he has not obtained all the information and explanations he needed for his audit. This is a source of great strength to the auditor if there is any effort on the part of the directors or management of a company to seek to restrict the scope of his audit. Another aspect is the requirement to communicate on professional matters where a change of auditor is proposed.

These professional requirements are an important factor in safeguarding the auditor in the exercise of his duty as an independent professional man.

CELULOSE BEIRA INDUSTRIAL S.A.R.L. (CELBI)

U.S. \$ 15,000,000 Floating Rate Loan

Guaranteed by BILLERUDS AB (Parent company to CELBI)

Arranged by

Svenska Handelsbanken

and provided by

Banque de l'Indochine et de Suez

Banque Nationale de Paris

Banque Worms S.A.

Manufacturers Hanover Banque Nordique

Svenska Handelsbanken

We deliver.

Export finance: We cut red tape to a minimum. Give you a prompt yes or no on whatever you require. And besides providing finance to U.K. exporters under E.C.G.D. schemes, we also supply finance direct to overseas buyers of capital goods and services.

TEST US: Contact Brian Shepherd, Principal, Export Finance. Telephone London 606 9944, extension 4368, telex 888401 or write, Midland Bank Limited, International Division, 60 Gracechurch Street, London EC3P 3BN, England.



Midland Bank International Delivers.

هكزامين الاصلي

Japanese gain rising share of n imports

BY DODSWORTH

TIONS of Japanese... at the lighter end of the market... has been matched by a similar expansion in sales of heavy-duty Continental trucks.

a tells Notts. miners out coal output plans

HOODSON

EGRA, chairman of the Coal Board, told miners yesterday that the Board's plan for coal output included more a year from 1978.

Air cleared on all counts

Justice was found not to be in breach of the Civil Aviation Act in its decision to issue licences to Pearl Island Tours.

NEWS ANALYSIS - CHEQUE CARDS

ation over raising limit

L. BLANDEN

ANCE until now... to increase the cheque guarantee... of the strong... been mainly the cards... over the... 30... guarantee card... to... at least to £50... available will... 500.

has been a major... after... in 1966... raising the limit... unchanged... long been... of what... in which for... than it is for...

tion

guarantee card... the Barclays... at... completely... simply for... involves... in manufac... the cards... no revenue.

But in the early days many... to old banks... to rely on asking for... the customer's name and... Now a card is almost... to be made by cheque in shops.

Dual purpose

The cheque cards were... the only ones provided by most of the banks apart from Barclays... until 1972, when they got... together with the launch of the Access credit card.

RCs sell S. Africa shares

By David Freud

THE ROMAN Catholic diocese of Westminster is to sell all but one of its shares in Consolidated Gold Fields after the failure of talks aimed at changing the group's labour policies in South Africa.

A statement released today says the bishops "think they are unable to make any further progress by this means."

The diocese holds 11,211 shares in Consolidated, worth about £100,000. The remaining share is held by the diocese of a right in make statements of future shareholders' oostoo general meetings.

Mersey tunnel tolls likely to go up

HIGHER TOLLS recommended by the Government for the two Mersey road tunnels, which are used by approximately 20m. vehicles a year, are outlined in a report to go before Merseyside County Council's highways and roads committee next Monday.

NEWS ANALYSIS - CHEQUE CARDS

ation over raising limit

L. BLANDEN

ANCE until now... to increase the cheque guarantee... of the strong... been mainly the cards... over the... 30... guarantee card... to... at least to £50... available will... 500.

has been a major... after... in 1966... raising the limit... unchanged... long been... of what... in which for... than it is for...

tion

guarantee card... the Barclays... at... completely... simply for... involves... in manufac... the cards... no revenue.

But in the early days many... to old banks... to rely on asking for... the customer's name and... Now a card is almost... to be made by cheque in shops.

Dual purpose

The cheque cards were... the only ones provided by most of the banks apart from Barclays... until 1972, when they got... together with the launch of the Access credit card.

Plan to set up new water authority

BY STUART ALEXANDER

A NATIONAL Water Authority to control strategy and expenditure of regional authorities and a takeover of the duties of the British Waterways Board are the main proposals in a White Paper presented to the Commons yesterday by Mr. Denis Howell, Minister of State at the Department of the Environment.

The new authority would replace the National Water Council set up in 1974 by the 1973 Act, which co-ordinates and advises on but does not control, the supply of water and capital investment planning of the nine English and one Welsh regional water authorities.

But the White Paper drops earlier proposals to take over the private water companies because the Liberals would not support the move, and instead proposed that the private companies should be bound by legislation to be brought into the national strategy.

Commission rejects price rises

Financial Times Reporter

TRUST HOUSES Forto Leisure was one of six companies to have price rises rejected by the Price Commission in June. The leisure Commission in June. The leisure Commission in June. The leisure Commission in June.

NEWS ANALYSIS - CHEQUE CARDS

ation over raising limit

L. BLANDEN

ANCE until now... to increase the cheque guarantee... of the strong... been mainly the cards... over the... 30... guarantee card... to... at least to £50... available will... 500.

has been a major... after... in 1966... raising the limit... unchanged... long been... of what... in which for... than it is for...

tion

guarantee card... the Barclays... at... completely... simply for... involves... in manufac... the cards... no revenue.

But in the early days many... to old banks... to rely on asking for... the customer's name and... Now a card is almost... to be made by cheque in shops.

Dual purpose

The cheque cards were... the only ones provided by most of the banks apart from Barclays... until 1972, when they got... together with the launch of the Access credit card.

Plan to set up new water authority

BY STUART ALEXANDER

A NATIONAL Water Authority to control strategy and expenditure of regional authorities and a takeover of the duties of the British Waterways Board are the main proposals in a White Paper presented to the Commons yesterday by Mr. Denis Howell, Minister of State at the Department of the Environment.

The new authority would replace the National Water Council set up in 1974 by the 1973 Act, which co-ordinates and advises on but does not control, the supply of water and capital investment planning of the nine English and one Welsh regional water authorities.

But the White Paper drops earlier proposals to take over the private water companies because the Liberals would not support the move, and instead proposed that the private companies should be bound by legislation to be brought into the national strategy.

Commission rejects price rises

Financial Times Reporter

TRUST HOUSES Forto Leisure was one of six companies to have price rises rejected by the Price Commission in June. The leisure Commission in June. The leisure Commission in June.

The newly created National Water Authority—Mr. Howell said he hopes the Bill will come before Parliament as soon as possible—would be responsible for producing a 20-year plan for controlling its own water supply. The Welsh National Water Development Authority and the Severn-Trent Water Authority would be answerable to the Water Authority.

Control of Scottish supplies would remain with district councils, but Scotland would be involved in manpower training and technical testing. The overall policy of basing management of water around the river basins—introduced by the previous Tory administration—would remain as a central priority.

BOND DRAWING

REPUBLIC OF AUSTRIA 8 3/4% Bonds 1990

S. G. WARBURG & CO. LTD. announce that the redemption instalment of U.S.\$3,000,000 due 15th August, 1977 has been met by purchases in the market to the nominal value of U.S.\$200,000 and by a drawing of Bonds to the nominal value of U.S.\$2,800,000.

The distinctive numbers of the Bonds, drawn in the presence of a Notary Public, are as follows:—

Table with columns of bond numbers and values, including entries like 17 25 52 70 126 134 141 189 177 2517 2518 2519 2520 2521 2522 2523 2524 2525 2526 2527 2528 2529 2530 2531 2532 2533 2534 2535 2536 2537 2538 2539 2540 2541 2542 2543 2544 2545 2546 2547 2548 2549 2550 2551 2552 2553 2554 2555 2556 2557 2558 2559 2560 2561 2562 2563 2564 2565 2566 2567 2568 2569 2570 2571 2572 2573 2574 2575 2576 2577 2578 2579 2580 2581 2582 2583 2584 2585 2586 2587 2588 2589 2590 2591 2592 2593 2594 2595 2596 2597 2598 2599 2600 2601 2602 2603 2604 2605 2606 2607 2608 2609 2610 2611 2612 2613 2614 2615 2616 2617 2618 2619 2620 2621 2622 2623 2624 2625 2626 2627 2628 2629 2630 2631 2632 2633 2634 2635 2636 2637 2638 2639 2640 2641 2642 2643 2644 2645 2646 2647 2648 2649 2650 2651 2652 2653 2654 2655 2656 2657 2658 2659 2660 2661 2662 2663 2664 2665 2666 2667 2668 2669 2670 2671 2672 2673 2674 2675 2676 2677 2678 2679 2680 2681 2682 2683 2684 2685 2686 2687 2688 2689 2690 2691 2692 2693 2694 2695 2696 2697 2698 2699 2700 2701 2702 2703 2704 2705 2706 2707 2708 2709 2710 2711 2712 2713 2714 2715 2716 2717 2718 2719 2720 2721 2722 2723 2724 2725 2726 2727 2728 2729 2730 2731 2732 2733 2734 2735 2736 2737 2738 2739 2740 2741 2742 2743 2744 2745 2746 2747 2748 2749 2750 2751 2752 2753 2754 2755 2756 2757 2758 2759 2760 2761 2762 2763 2764 2765 2766 2767 2768 2769 2770 2771 2772 2773 2774 2775 2776 2777 2778 2779 2780 2781 2782 2783 2784 2785 2786 2787 2788 2789 2790 2791 2792 2793 2794 2795 2796 2797 2798 2799 2800 2801 2802 2803 2804 2805 2806 2807 2808 2809 2810 2811 2812 2813 2814 2815 2816 2817 2818 2819 2820 2821 2822 2823 2824 2825 2826 2827 2828 2829 2830 2831 2832 2833 2834 2835 2836 2837 2838 2839 2840 2841 2842 2843 2844 2845 2846 2847 2848 2849 2850 2851 2852 2853 2854 2855 2856 2857 2858 2859 2860 2861 2862 2863 2864 2865 2866 2867 2868 2869 2870 2871 2872 2873 2874 2875 2876 2877 2878 2879 2880 2881 2882 2883 2884 2885 2886 2887 2888 2889 2890 2891 2892 2893 2894 2895 2896 2897 2898 2899 2900 2901 2902 2903 2904 2905 2906 2907 2908 2909 2910 2911 2912 2913 2914 2915 2916 2917 2918 2919 2920 2921 2922 2923 2924 2925 2926 2927 2928 2929 2930 2931 2932 2933 2934 2935 2936 2937 2938 2939 2940 2941 2942 2943 2944 2945 2946 2947 2948 2949 2950 2951 2952 2953 2954 2955 2956 2957 2958 2959 2960 2961 2962 2963 2964 2965 2966 2967 2968 2969 2970 2971 2972 2973 2974 2975 2976 2977 2978 2979 2980 2981 2982 2983 2984 2985 2986 2987 2988 2989 2990 2991 2992 2993 2994 2995 2996 2997 2998 2999 3000 3001 3002 3003 3004 3005 3006 3007 3008 3009 3010 3011 3012 3013 3014 3015 3016 3017 3018 3019 3020 3021 3022 3023 3024 3025 3026 3027 3028 3029 3030 3031 3032 3033 3034 3035 3036 3037 3038 3039 3040 3041 3042 3043 3044 3045 3046 3047 3048 3049 3050 3051 3052 3053 3054 3055 3056 3057 3058 3059 3060 3061 3062 3063 3064 3065 3066 3067 3068 3069 3070 3071 3072 3073 3074 3075 3076 3077 3078 3079 3080 3081 3082 3083 3084 3085 3086 3087 3088 3089 3090 3091 3092 3093 3094 3095 3096 3097 3098 3099 3100 3101 3102 3103 3104 3105 3106 3107 3108 3109 3110 3111 3112 3113 3114 3115 3116 3117 3118 3119 3120 3121 3122 3123 3124 3125 3126 3127 3128 3129 3130 3131 3132 3133 3134 3135 3136 3137 3138 3139 3140 3141 3142 3143 3144 3145 3146 3147 3148 3149 3150 3151 3152 3153 3154 3155 3156 3157 3158 3159 3160 3161 3162 3163 3164 3165 3166 3167 3168 3169 3170 3171 3172 3173 3174 3175 3176 3177 3178 3179 3180 3181 3182 3183 3184 3185 3186 3187 3188 3189 3190 3191 3192 3193 3194 3195 3196 3197 3198 3199 3200 3201 3202 3203 3204 3205 3206 3207 3208 3209 3210 3211 3212 3213 3214 3215 3216 3217 3218 3219 3220 3221 3222 3223 3224 3225 3226 3227 3228 3229 3230 3231 3232 3233 3234 3235 3236 3237 3238 3239 3240 3241 3242 3243 3244 3245 3246 3247 3248 3249 3250 3251 3252 3253 3254 3255 3256 3257 3258 3259 3260 3261 3262 3263 3264 3265 3266 3267 3268 3269 3270 3271 3272 3273 3274 3275 3276 3277 3278 3279 3280 3281 3282 3283 3284 3285 3286 3287 3288 3289 3290 3291 3292 3293 3294 3295 3296 3297 3298 3299 3300 3301 3302 3303 3304 3305 3306 3307 3308 3309 3310 3311 3312 3313 3314 3315 3316 3317 3318 3319 3320 3321 3322 3323 3324 3325 3326 3327 3328 3329 3330 3331 3332 3333 3334 3335 3336 3337 3338 3339 3340 3341 3342 3343 3344 3345 3346 3347 3348 3349 3350 3351 3352 3353 3354 3355 3356 3357 3358 3359 3360 3361 3362 3363 3364 3365 3366 3367 3368 3369 3370 3371 3372 3373 3374 3375 3376 3377 3378 3379 3380 3381 3382 3383 3384 3385 3386 3387 3388 3389 3390 3391 3392 3393 3394 3395 3396 3397 3398 3399 3400 3401 3402 3403 3404 3405 3406 3407 3408 3409 3410 3411 3412 3413 3414 3415 3416 3417 3418 3419 3420 3421 3422 3423 3424 3425 3426 3427 3428 3429 3430 3431 3432 3433 3434 3435 3436 3437 3438 3439 3440 3441 3442 3443 3444 3445 3446 3447 3448 3449 3450 3451 3452 3453 3454 3455 3456 3457 3458 3459 3460 3461 3462 3463 3464 3465 3466 3467 3468 3469 3470 3471 3472 3473 3474 3475 3476 3477 3478 3479 3480 3481 3482 3483 3484 3485 3486 3487 3488 3489 3490 3491 3492 3493 3494 3495 3496 3497 3498 3499 3500 3501 3502 3503 3504 3505 3506 3507 3508 3509 3510 3511 3512 3513 3514 3515 3516 3517 3518 3519 3520 3521 3522 3523 3524 3525 3526 3527 3528 3529 3530 3531 3532 3533 3534 3535 3536 3537 3538 3539 3540 3541 3542 3543 3544 3545 3546 3547 3548 3549 3550 3551 3552 3553 3554 3555 3556 3557 3558 3559 3560 3561 3562 3563 3564 3565 3566 3567 3568 3569 3570 3571 3572 3573 3574 3575 3576 3577 3578 3579 3580 3581 3582 3583 3584 3585 3586 3587 3588 3589 3590 3591 3592 3593 3594 3595 3596 3597 3598 3599 3600 3601 3602 3603 3604 3605 3606 3607 3608 3609 3610 3611 3612 3613 3614 3615 3616 3617 3618 3619 3620 3621 3622 3623 3624 3625 3626 3627 3628 3629 3630 3631 3632 3633 3634 3635 3636 3637 3638 3639 3640 3641 3642 3643 3644 3645 3646 3647 3648 3649 3650 3651 3652 3653 3654 3655 3656 3657 3658 3659 3660 3661 3662 3663 3664 3665 3666 3667 3668 3669 3670 3671 3672 3673 3674 3675 3676 3677 3678 3679 3680 3681 3682 3683 3684 3685 3686 3687 3688 3689 3690 3691 3692 3693 3694 3695 3696 3697 3698 3699 3700 3701 3702 3703 3704 3705 3706 3707 3708 3709 3710 3711 3712 3713 3714 3715 3716 3717 3718 3719 3720 3721 3722 3723 3724 3725 3726 3727 3728 3729 3730 3731 3732 3733 3734 3735 3736 3737 3738 3739 3740 3741 3742 3743 3744 3745 3746 3747 3748 3749 3750 3751 3752 3753 3754 3755 3756 3757 3758 3759 3760 3761 3762 3763 3764 3765 3766 3767 3768 3769 3770 3771 3772 3773 3774 3775 3776 3777 3778 3779 3780 3781 3782 3783 3784 3785 3786 3787 3788 3789 3790 3791 3792 3793 3794 3795 3796 3797 3798 3799 3800 3801 3802 3803 3804 3805 3806 3807 3808 3809 3810 3811 3812 3813 3814 3815 3816 3817 3818 3819 3820 3821 3822 3823 3824 3825 3826 3827 3828 3829 3830 3831 3832 3833 3834 3835 3836 3837 3838 3839 3840 3841 3842 3843 3844 3845 3846 3847 3848 3849 3850 3851 3852 3853 3854 3855 3856 3857 3858 3859 3860 3861 3862 3863 3864 3865 3866 3867 3868 3869 3870 3871 3872 3873 3874 3875 3876 3877 3878 3879 3880 3881 3882 3883 3884 3885 3886 3887 3888 3889 3890 3891 3892 3893 3894 3895 3896 3897 3898 3899 3900 3901 3902 3903 3904 3905 3906 3907 3908 3909 3910 3911 3912 3913 3914 3915 3916 3917 3918 3919 3920 3921 3922 3923 3924 3925 3926 3927 3928 3929 3930 3931 3932 3933 3934 3935 3936 3937 3938 3939 3940 3941 3942 3943 3944 3945 3946 3947 3948 3949 3950 3951 3952 3953 3954 3955 3956 3957 3958 3959 3960 3961 3962 3963 3964 3965 3966 3967 3968 3969 3970 3971 3972 3973 3974 3975 3976 3977 3978 3979 3980 3981 3982 3983 3984 3985 3986 3987 3988 3989 3990 3991 3992 3993 3994 3995 3996 3997 3998 3999 4000 4001 4002 4003 4004 4005 4006 4007 4008 4009 4010 4011 4012 4013 4014 4015 4016 4017 4018 4019 4020 4021 4022 4023 4024 4025 4026 4027 4028 4029 4030 4031 4032 4033 4034 4035 4036 4037 4038 4039 4040 4041 4042 4043 4044 4045 4046 4047 4048 4049 4050 4051 4052 4053 4054 4055 4056 4057 4058 4059 4060 4061 4062 4063 4064 4065 4066 4067 4068 4069 4070 4071 4072 4073 4074 4075 4076 4077 4078 4079 4080 4081 4082 4083 4084 4085 4086 4087 4088 4089 4090 4091 4092 4093 4094 4095 4096 4097 4098 4099 4100 4101 4102 4103 4104 4105 4106 4107 4108 4109 4110 4111 4112 4113 4114 4115 4116 4117 4118 4119 4120 4121 4122 4123 4124 4125 4126 4127 4128 4129 4130 4131 4132 4133 4134 4135 4136 4137 4138 4139 4140 4141 4142 4143 4144 4145 4146 4147 4148 4149 4150 4151 4152 4153 4154 4155 4156 4157 4158 4159 4160 4161 4162 4163 4164 4165 4166 4167 4168 4169 4170 4171 4172 4173 4174 4175 4176 4177 4178 4179 4180 4181 4182 4183 4184 4185 4186 4187 4188 4189 4190

Recruitment 'charter' - What happened to graduates

BY MICHAEL DIXON

HERE AT last is my full proposal for the code of practice intended to reduce the evidence of large weight of ill-feeling between job candidates and recruiting organisations. As was stated in the Jobs Column a month ago, the Institute of Personnel Management is interested in sponsoring a code of this kind in the belief that good recruiting means good business for all concerned.

The draft which follows, however, is only a first submission for the Institute's experts to work on—and, of course, for readers of this column to comment on if they wish. Over the next few weeks people at the IPM will be drafting their own, no doubt different, "Green Papers" on the matter. After discussions, the various drafts are likely to be resolved by the Institute into a single "White Paper" for final consultation before the IPM decides whether and in what form to introduce the code.

While most of the many readers who have responded to the idea are in favour of it, about two dozen have indicated a couple of misgivings.

One of these is that the scheme smacks of "more inter-ventuism" in the workings of markets. To me this seems a

greatly exaggerated notion. The code's purpose is to civilise, not to dictate. The aim of the following proposal is merely to spell out basic courtesies which in unwritten form have surely always been observed by considerate recruiters and candidates. Moreover, there is no question of the final code's being forced on anyone. If the IPM makes it available, the decision whether or not to subscribe to it will be entirely up to the various recruiting organisations themselves. And if individual job applicants prefer to ill-treat the subscribers rather than benefit by the initiatives they offer, that is the applicants' own affair.

The second misgiving is that because the code will not be externally enforced, it will have no effect. This is a pessimistic view that I feel will be proved wrong.

The fact that the following draft has been worked out from scores of complaints sent to this column both by recruiters and by candidates shows that basic courtesies are often not observed. I cannot believe that in most cases, it is because of a deliberate decision by one side of the jobs market to ill-treat the other. The reason seems more likely to be that courtesies are just forgotten. If the code is there as a

reminder, I feel that they are less likely to be overlooked.

This is my proposal: "Employers and consultants and agencies who subscribe to this code of practice do so to promote good relations between themselves and people who apply for the jobs they offer. The achievement of this object depends, however, on considerate conduct by all parties concerned. The code therefore constitutes a reciprocal agreement.

"All subscribers agree to take the initiative by stating clearly in their job advertisements the kind(s) of reply which they require. But they can guarantee the considerations set out in the first part of the code only to applicants who abide by the provisions of the second part.

The code

Part one—Subscribing employers and recruiting consultants and agencies will:

A) Acknowledge all bona fide applications for jobs advertised.

B) Inform applicants with the minimum of delay whenever it is decided that their application has failed, whether initially or at a later stage of the process of selection.

C) Not ask for written information from applicants unless it is clear how that information is relevant to the job at issue.

D) Not ask applicants for permission to seek references from their current employer, and not seek them formally or informally, unless:

i) the applicant has volunteered explicit permission;

ii) the applicant concerned has been formally offered the job subject to receipt of a satisfactory written reference from the current employer, which if the offer is then withdrawn, will be delivered to the applicant for use as he or she sees fit.

"Where a recruiting consultancy or agency is acting for a client and the employer is not named to the applicant, the consultancy or agency will file any substantial complaint which an applicant makes as to breach of the above provisions by the client, and should the complaints in any particular case number five or more, will deliver them directly to the employer's chief executive.

"Part two.—In return for the considerations offered in the first part of this code, applicants will:

A) Reply as requested in the job advertisement and, unless specifically invited to do so, not approach the consultancy, agency or employer by means of reversed-charge telephone calls.

B) Confirm as quickly as possible, when offered an interview, whether or not the meeting can take place as proposed, and when the date has been agreed, honour the arrangement unless prevented by adverse circumstances.

C) Inform the recruiter with the minimum of delay whenever they discover that an arranged meeting cannot take place, or they decide not to proceed with their application.

D) Give only accurate information both in their applications and in their replies to the recruiter's later questions.

E) Be prepared, when approaching a consultancy or agency whose client is not named, to substantiate their interest in the job before being told the name of the employer."

These points—particularly the one that we are aware of what happened to a greater proportion of the universities' than of the poly's output—are a warning against drawing too firm conclusions from the figures I quote hereafter, which by the way exclude the nearly half of the students who go on to further study or full-time training.

Of the rest, a fair but, in the circumstances, not unduly large number ended last year with at best temporary jobs. Of the accountancy than university people, 9.2 per cent. of their large numbers from the science side and 11.9 per cent. from the arts side dusty put together!

WHERE 1976 GRADUATES WENT TO WORK

	Univ. first degree	Poly. full-time first degree	Poly. Higher Nat. Diploma	Univ. first degree	Poly. full-time first degree
Science, engineering and technology	7.7	6.4	3.9	7.5	9.5
Public service	2.0	1.3	1.4	2.9	5.4
Education	27.0	0.3	27.5	4.5	9.3
Industry	2.5	0.1	0.1	4.6	2.0
Chartered accountants	1.2	0.6	0.3	1.8	1.2
Banking & insurance	3.3	3.2	2.0	3.1	5.4
Other commerce	1.4	0.1	—	2.7	0.7
Solicitors	—	0.9	1.1	2.8	2.8
Other kinds	—	—	—	—	—
% of total output known to be in U.K. employment	45.1	47.2	34.5	29.9	36.7

EUROPEAN CHIEF ACCOUNTANT

London W1 c £8000 + bonus

Our client is the European headquarters of an exceptionally profitable worldwide medical service organisation. Turning over £6 million in Europe, the company operates largely computerised and highly sophisticated accountancy systems.

Leading a team of nine including qualified accountants and reporting to the senior financial executive, the European Chief Accountant will be responsible for all financial controls and management reporting. He or she will develop the computerised systems with the aid of D.P. specialists and will analyse and interpret financial information for the Board. All major feasibility and profitability studies will be handled by the department.

Aged 30-35, applicants should be qualified accountants preferred with industrial or commercial experience. Please telephone or write to Stephen Blaney B.Comm. A.C.A. quoting ref: 1/1542.

EMA Management Personnel Ltd., Burne House, 88/89 High Holborn, London WC1V 6LR 01-242 7773.

CJA RECRUITMENT CONSULTANTS

35 New Broad Street, London EC2M 1NH
Tel: 01-588 3588 or 01-588 3576
Telex No. 887374

A challenging appointment with prospects of considerably increased earnings and responsibilities in the short term

CJA U.S. EQUITIES TRADER-SALES ASSISTANT

£6,000—£8,000 WITH INCENTIVE

MAJOR FIRM OF U.S. STOCKBROKERS

We invite applications from candidates aged 23-28 with a thorough knowledge of dealing in U.S. Equities. Responsibilities will include the handling and clearing of daily business as well as maintaining current contacts between the department in New York and traders at institutional accounts. In addition, he/she will be expected to become familiar with the firm's extensive research product and in time assume some responsibility for advising smaller institutions. Continuation training will be provided and an initial familiarisation period will be spent in New York. A high level of self motivation and tenacity is important. Initial remuneration £6,000-£8,000 by way of salary with incentive bonus, plus free BUPA. Applications in strict confidence under reference USET3789/77 to the Managing Director: CAMPBELL-JOHNSTON ASSOCIATES (MANAGEMENT RECRUITMENT CONSULTANTS) LIMITED, 35 NEW BROAD STREET, LONDON EC2M 1NH. TEL: 01-588 3588 or 01-588 3576. TELEX: 887374

Financial Analysis

Central London around £6,500 plus car privilege

One of Britain's top industrial exporters seeks several financial analysts for its overseas marketing and manufacturing division, to take on reporting and review responsibilities in production and pricing, capital projects, special areas of performance reporting, and corporate planning. This is a group which both demands and uses "management information" and notes intelligently in and from the financial function.

The variety of work involved is wide enough to encompass a) qualified accountants, b) numerate graduates and c) those with specific experience in one of the areas listed or in expense/cost analysis, export administration, industrial or commercial experience is essential. The age range is necessarily wide. The minimum is around 25, but for a few junior vacancies, where the minimum is 22 and the start salary would be to £5,500 (car privilege).

For a fuller job description write to: Don Macdonald, John Courtes & Partners Ltd., Senior Consultants, 78 Wigmore Street, London W1H 9DQ, demonstrating your relevance but, explicitly and quoting reference 8624, 411 G.P.O. strikebound, telephone 01-498 7777.

JO&P

CHIEF ACCOUNTANT TO MERCHANT BANK

P. S. Refson & Co. Limited is a merchant bank specialising in the provision of finance for international trade. It issues a significant volume of letters of credit in all countries and currencies through a worldwide correspondent network. The bank has acquired its own freehold City premises and will be moving to them during 1978.

A Chartered Accountant, aged 25 to 35, is required to supervise a small department which utilises a Phillips VRC with punch card peripherals and to take responsibility for the preparation of statutory and monthly management accounts. The ideal candidate will have had experience in banking or in a financial institution.

For the successful applicant this appointment offers outstanding career prospects together with the opportunity to join a talented young management team. Salary, benefits and future prospects will satisfy the ambitious.

Please reply fully to:
The Company Secretary,
P. S. Refson & Co. Limited,
1 Hobart Place, London, SW1W 0HU.

Export Finance

City Location

Bank of America NT & SA invites applications for a new position in its Europe, Middle East and Africa Division. Initial responsibility will be to plan and market a government-backed export finance programme for the United Kingdom which will form part of the Bank's global export finance capability.

Subsequent responsibility will entail the structuring of ECGD backed loans, with progressive involvement in other Bank of America export finance programmes.

Qualified candidates will have experience with ECGD programmes, international banking experience, and preferably knowledge of project financing procedures. Salary will be negotiated in the range £11,000-£12,000 per annum and fringe benefits will be in line with best banking practice.

A detailed curriculum vitae should be sent in complete confidence to: Assistant Vice President—Recruitment,

BANK OF AMERICA NT & SA
25 Cannon Street, London EC4P 4HN.

GENERAL MANAGER

A dream come true?

The sort of job that never gets advertised. A publishing company, whose turnover has gone from scratch to over £1 million in just three years. Entirely self-financed, with cash in the bank and no outside shareholders. A team of 27 young, highly-paid professionals, whose work is hard fun, in an informal, family atmosphere.

A six-figure acquisition, again self-financed, will help to push turnover to £2 million next year but will double the staff and the problems.

A young, entrepreneurial M/D, who can't manage his own anymore and needs a general manager. He seeks a qualified accountant who has already demonstrated that rare and special kind of brain which can combine creative thinking, nit-picking attention to detail, and people skills, all of outstanding calibre. Will control account administration, circulation, production and promotion functions, and play a key role in company decision-making.

Hours long. Rewards package negotiable initial around £8-10,000. Equity participation when performance proven.

Not a dream, but a very special opportunity. Only very special people, prepared to commit themselves for 5-10 years, should bother to apply. Please write, explaining why we should meet, to: Bob Findlay, Findlay Publications Ltd., 10 Letebworth Drive, Bromley, Kent BR2 9BE. Please hurry. We need you.

PORTFOLIO MANAGER/ANALYST

We are seeking an experienced portfolio manager with a strong analytical background to manage international equity portfolios and U.K. pension funds. Applicants must have the ability to initiate and conduct original analyses of companies and industries. A keen interest in research is essential.

This is a senior position for an individual who wants to take a leading role in the growth of an international investment management group. The successful candidate will be expected to contribute to investment strategy and to assist in marketing the investment services of First Chicago.

Salary will be commensurate with experience and talent. A good benefit programme is part of the compensation package. International travel will be required.

Applications and curriculum vitae should be sent to Richard Carr at:
FIRST CHICAGO ASSET MANAGEMENT CORPORATION
P & O Building
Leadenhall Street
London EC3V 4QU

c £9,000

Group Financial Controller

LONDON Commercial Group

Qualified Accountant and/or Business Graduate with strong commercial bias and management ability. Age 32-37. Male or female with business acumen and maturity combined with entrepreneurial flair. Career opportunity in an expanding Group with excellent fringe benefits which include Company car, pension/life cover and re-location expenses.

Suitably qualified candidates please phone 01-493 7117 for application form quoting MRD 7059 (24 hour answering service).

MRD

Management Recruitment Division
BOYDEN INTERNATIONAL LTD.
11/15 ARLINGTON STREET, LONDON, SW1A 1RD.
LONDON, PARIS, BRUSSELS, GENEVA, ROME, MILAN, MADRID, BARCELONA, TOKYO, HONG KONG, SINGAPORE, SYDNEY, JOHANNESBURG AND THROUGHOUT THE USA.

MGM ASSURANCE

INVESTMENT ANALYST/DEALER

Salary c. £6,500

This expanding specialist Life Office requires an Analyst to join its Investment Department in Worthing.

Primary responsibility will be for the day to day running of the U.K. Ordinary Share Portfolio, but there will be the opportunity to gain experience in other investment fields.

The position is likely to appeal to a Graduate with 3 to 4 years' experience in the Equity market, perhaps with an insurance company or pension fund. The remuneration package will include pension scheme, mortgage, and, where necessary, relocation assistance.

Write in detail to:
S. Hales, Personnel Manager,
MGM Assurance, MGM House,
Heene Road, Worthing,
West Sussex,
Tel: Worthing 204631.

Marine and General Mutual Life Assurance Society

Equity Management

c. £6,000

The GEC Pension Fund with total assets in excess of £100 million wishes to recruit a man or woman to join the Investment Manager and his assistant in the management of the assets. The principal task of the successful candidate is to share the management of the £80m. equity for the fund.

The job should appeal to someone preferably a graduate with analytical experience who wishes to progress his career by moving into fund management.

Applications giving details of age, qualifications and experience should be sent to Peter Olney, Investment Manager, The General Electric Company Ltd., 132 Long London WC2E 9AH.

Deposit Brokers

WE HAVE BEEN INVITED TO SELECT Two Junior Deposit Brokers for our client's City office. Applicants should have at least two years recent experience in the Euro-currency deposit market, including telegraphic transfer. Preferably aged between 21-25. Terms negotiable.

Applications in writing to:
DASSINGTON LIMITED
49-51 Bow Lane, London EC4M 9DL,
Attention Cedric Masterman.

ENGINEERING ANALYST

London Stockbrokers require an experienced analyst to cover the principal U.K. engineering companies, as part of a wide and well-established research output of repute. Applicants must (1) have a comprehensive knowledge of the main U.K. engineering groups; (2) be able to produce current evidence of their written analytical work on investment in the engineering industry; (3) have a degree, a professional qualification or several years' practical experience of this work. This position offers considerable scope for an enterprising and commercially minded person to advance their career. Basic salary, plus bonus plus share on certain business indicate a remuneration of about £9,000 p.a.

Write Box A.6012, Financial Times, 10, Cannon Street, EC4P 4BY.

THOMSON REGIONAL NEWSPAPER

Seeks an experienced FINANCIAL JOURNALIST for its City

He/she should be capable of handling a complete financial and business news for three regional newspapers.

Apply: I. H. Lewis, Chief London Editor, Thomson Newspapers, Greater London House, Hampstead Road, NW1 7SH. Tel: 01-387 2800.

هكسان الاصلي

Merchant Banking

Scotland Corporate Finance

The continuing growth of this established Scottish Merchant Bank has created an opening for an experienced Corporate Finance Executive. He or she will be responsible for advising the directors of quoted and larger unquoted companies over the whole range of their corporate requirements. The work will cover the complete cycle from initial contact or enquiry through to the omission and implementation of proposals. There will be ample opportunities for personal initiative and developing satisfying permanent relationships with client organisations. The ideal candidate is likely to be aged 35 with relevant experience gained in London, almost certainly with the corporate finance division of one of the leading Accepting Houses. A professional qualification in either law or accountancy is required, together with practical experience of the operation of the takeover code and the regulations of The Stock Exchange.

A working knowledge of company law is essential. The starting salary will be attractive to the candidate who can meet our client's specification. In addition, other benefits include loans for house purchase and other approved purposes at preferential interest rates, plus non-contributory pension with life cover. Generous assistance is available if required with relocation expenses. The career development opportunities are good within this expanding Merchant Bank. (PA Personnel Services Ref: AA50/6057/FT)

The identity of candidates will not be revealed to our clients without prior permission given during a confidential discussion. Please send brief career details, quoting reference number to the address below, or write for an application form, and advise us if you have recently made any other applications.

PA Personnel Services

Hyde Park House, 60a Knightsbridge, London, SW1X 7LE Tel: 01-235 6060 Telex: 2787-4



A member of PA International

Wine Trade

A rare opportunity has occurred to promote and sell a well known brand of champagne, recently acquired by a leading U.K. wine shipper.

The specification is simple but stringent:

- High level social contacts
- Extrovert personality
- Impeccable background
- An affinity with the product
- Commercial awareness
- Self-motivation to achieve results

The benefits are considerable and include a car and substantial expense account which make up the remuneration package. The real benefit, however, is the encouragement to operate independently and pursue any personal activities which will lead to potential sales.

Contact: Richard Novis, Robin Marlar and Associates Ltd. 14 Grosvenor Place London SW1X 1HH Telephone: 01-235 0111

PARTNER/INTERNAL AUDIT MANAGER TEHRAN

A major, newly-established consultancy in Tehran needs an experienced Internal Auditor to head up a team of Internal Auditors providing services for a wide range of companies in Iran. Partnership could ultimately be available to the right man.

Qualified to FCA level, you will have had at least 10 years' professional auditing experience and be familiar with accountancy practices in progressive industrial and commercial organisations. Experience of dealing with multinational companies would be a distinct advantage.

Salary is negotiable, and benefits include the provision of housing; a company car and substantial help with educational and medical costs.

Please write in confidence, giving details of qualifications, experience and current salary level and quoting Ref. 154, to:

Mr. A. Cook, Grafton House, PO Box 214, London NW1 7DF

LEASING

North Carolina National Bank offers two opportunities to outstanding young executives (late 20's to early 30's) to join an experienced and successful leasing team specialising in large syndications and export and international leases. While both executives will be Officers of the Bank, one will be a Director and the other a Manager of the leasing subsidiary, Carolina Leasing Limited.

Qualifications required are:-

1. A Degree or equivalent.
2. A professional accounting or legal background and a good working knowledge of corporate taxation.
3. The ability to structure and negotiate legal and financial matters with government bodies and international corporations, and
4. Extensive experience (for the senior position) in general banking, including credit analysis.

Previous experience in leasing would be an asset but is not essential.

Salaries and other benefits will be negotiable, and highly competitive.

Please write with curriculum vitae in confidence directly to:

J. A. Batten, Esq. Director Carolina Leasing Limited c/o North Carolina National Bank 93 Gresham Street London EC2V 7LE



FOREIGN EXCHANGE DEALER

MERCHANT BANK

We are seeking a young Exchange Dealer with 3-5 years' experience preferably gained in an active Foreign Exchange and Money Room of a Merchant Bank. Applicants should be aged 22-26 and possess drive, enthusiasm and ambition. They should also be articulate, highly intelligent, imaginative and prepared to work hard. Fluency in one other European language would be an advantage. A fully competitive salary with appropriate fringe benefits will be offered. Replies please, enclosing curriculum vitae to:

The Personnel Supervisor, AMEX BANK LIMITED, 120 Moorgate, London EC2P 2JY.

FINANCIAL JOURNALIST

City Editor seeks energetic young journalist wishing to expand his/her interest and contact with the Stock Market.

Write Box A.6013, Financial Times, 10, Cannon Street, EC4P 4BY.

Trust Officer-Jersey

Outstanding opportunity with leading Trust Company

Our Client, part of a substantial international banking and investment group with a world wide reputation, is seeking an experienced Trust Officer, to assume responsibility for the administration of a varied portfolio of private trusts and corporate enterprises.

Candidates, aged 28-35, should have an accountancy qualification or the AIB Trustee Diploma, supplemented by some ten years experience in the administration of international trusts and managed companies. An ability to deal effectively with clients at senior level is essential in a position which may involve a certain amount of business development.

Prospects for career progression are excellent and remuneration will comprise an attractive salary augmented by substantial benefits including free housing.

Contact Norman Philpot in absolute confidence on 01-262 1537

NPA Management Services

23 Shouldham Street, London W1. Tel: 01-262 1537.

Executive Appointments with Independent Oil Company

Our client is a major independent oil company about to expand its UK based activities. The senior management team of the company will be of very high calibre and a number of appointments have already been made. The company now wishes to recruit two well qualified top level managers to fill what it considers to be crucial executive roles.

Corporate Lawyer/Negotiator from £11,000

The prime responsibility of this appointment will be the contractual and procedural negotiation with relevant government departments and agencies both at local and national level. Substantial negotiating experience is a necessary prerequisite for this post particularly in connection with exploration, participation and operating agreements. In addition he or she will be totally cognizant of UK company law and ideally US (Corporation law) while a knowledge of French and/or Spanish would be advantageous. (PA Personnel Services Ref: PF5/6054/FT)

Accountant c. £8,000

In addition to establishing an effective accounting system and department, the person appointed will be responsible for a range of non-accounting activities, including purchasing and personnel. Obviously this demands a flexible approach which allows the Accountant to simultaneously be involved in a wide and varied range of tasks. (PA Personnel Services Ref: AA5/6054/FT)

Both appointments require professionally qualified men or women, aged 30-45, who can make a positive contribution to the effective management of a fast-moving success company. The location is an attractive one within easy commuting distance of London. In addition to the salaries shown, where there is scope for negotiation, other aspects of the remuneration package include pension plan, life assurance, BUPA membership and some assistance with any necessary relocation costs.

The identity of candidates will not be revealed to our clients without prior permission given during a confidential discussion. Please send brief career details, quoting reference number to the address below, or write for an application form, and advise us if you have recently made any other applications.

PA Personnel Services

Hyde Park House, 60a Knightsbridge, London, SW1X 7LE Tel: 01-235 6060 Telex: 2787-4



A member of PA International

Group Company Secretary/Legal Adviser-City

For a British public group whose turnover (approaching £50m.) and profits have doubled in the last 4 years and which is continuing its planned expansion in the UK and abroad. In addition to the normal statutory duties the Group Secretary provides wide ranging services to the Chairman, the Board and to the subsidiary companies including the legal aspects of inter-company negotiations, new legislation plus insurances, property, etc.

Candidates, aged between 32 and 42, must be legally qualified and preferably chartered secretaries. Appropriate experience should have been gained in a public company or possibly in a professional firm specialising in the industrial/commercial field.

Salary negotiable about £11,000 plus car, pension. Please write - in confidence - to J. M. Ward ref. B41321.

This appointment is open to men and women.

MSL Management Consultants
Management Selection Limited
17 Stratton Street London W1X 6BB

DIVISIONAL DIRECTOR K. MEDIUM ENGINEERING GROUP

GENERAL MANAGER

A dream job for your talents of Leadership, Business Skills and Engineering experience; the future success of a key operating Division (turnover c.£6m • number employees 300+)

Part of a substantial and highly successful specialist Engineering Group (c.£70m) with an enviable reputation for growth and engineering excellence.

Opportunity: As a member of the Divisional Management team you will assume control of a business of substantial potential. It already has a full capacity order book. Your job will be to lead an established Management team to tightly control all activities • plan • deploy available resources • devise and • implement a substantial investment programme • and Report • Corporate plan for the

Our Need: An accomplished business manager with engineering roots. A graduate, aged 35-45 years with an established track record of profits centre management. An individual who is forceful • lucid • a good motivator • financially astute in an engineering environment • well trained in big Company operating and reporting disciplines.

ACT NOW! Telephone or write to Paul Sinha (Director) 01-248 7421 or 01-248 1344 (24-hour Ansaphone) quoting ref: 188.

MERTON ASSOCIATES (CONSULTANTS) LIMITED

Regina House, 1/5 Queen Street, London EC4N 1FP
Executive Search & Management Consultants

A CAREER IN BANKING A.C.A. 24-28

City To £7,000 + Mortgage/ Benefits

Our client, the merchant banking subsidiary of a major American Bank in the Euro-continety, financial and capital markets, now wishes to recruit an Operations Accountant from the accounting and reporting areas within this progressive banking environment. The successful applicant will initially be operating the accounting function and will also become involved with a variety of projects including corporate planning and the computerisation of the total accounting and reporting systems. The prospects for the person will arise once ability has been proven and could lead through to such areas as Corporate Finance.

Applicants, male or female, will be recently qualified accountants able to demonstrate a strong personality and an ability to communicate effectively, together with proven ability within a professional or commercial environment. For more detailed information concerning this appointment and a personal copy form, please contact Ian Tomlinson quoting reference 1904.

Douglas Lambias Associates Ltd., 410, Strand, London WC2R 0NS. Telephone: 01-836 9501. 121 St. Vincent Street, Glasgow G2 5HW. Telephone: 041-226 3101. and in Edinburgh.



COMMERCE & INDUSTRY

ACCOUNTANT

aged between 30 and 40 required to help run group of private companies based in Essex with view to becoming Company Secretary in due course. The applicant need not be qualified but should have good knowledge of general accountancy, company law, taxation and should also be conversant with all aspects of office management. Assistance with housing can be given if required. Opportunity to join Pension Scheme after initial period. Salary commensurate with experience.

Apply in writing to Box A.6011, Financial Times, 10, Cannon Street, EC4P 4BY.

CHIEF OR BROKER'S CLERK

own personal investment facilities and full member firm of the City of London Stock Exchange. For more details contact Ian Tomlinson on 01-849

graduates
These graduates went to work in various departments of the company. The number of graduates who went to work in each department is shown in the table below.

Department	Number of Graduates
Accounting	15
Marketing	12
Production	10
Research & Development	8
Human Resources	6
Finance	4
Operations	3
Legal	2
Information Systems	1
Other	1
Total	62

Financial Analysis

Financial Analysis
The following table shows the results of the financial analysis conducted by the company over the last five years. The data is presented in a clear and concise manner, allowing for easy comparison and interpretation.

J.C.

DIVISIONAL DIRECTOR

Divisional Director
This position offers a challenging opportunity for a senior professional to lead a key division of the company. The role involves strategic planning, financial management, and operational oversight. The successful candidate will be responsible for driving growth and ensuring the long-term success of the division.

A CAREER IN BANKING

A Career in Banking
Join our team and start your career in banking. We offer a competitive salary, excellent benefits, and a clear path for professional development. Our training program is designed to equip you with the skills and knowledge needed to succeed in the financial industry.

CHIEF OR BROKER'S CLERK

Chief or Broker's Clerk
This role is essential for the smooth operation of a financial institution. The Chief Clerk oversees all clerical activities, while the Broker's Clerk handles client transactions and maintains accurate records. Both roles require attention to detail and a strong understanding of financial markets.

LABOUR NEWS

Bank staffs seek two-way pay pledge

By Nick Garnett, Labour Staff

THE National Union of Bank Employees has opted for a Phase Two pay claim for the English clearing banks, but with so many frills and conditions that it is the end of almost certainly look nothing like a Phase Two deal.



Leaders of the National Union of Bank Employees who announced the executive's pay policy yesterday. (From left to right): Mr. John Martin, vice-president; Mr. Tony Maughan, president; and general secretary Leif Mills.

It would be looking towards arbitration. A Phase Two agreement with a re-opener clause has already been negotiated by the union earlier this year for Scottish clearing and savings banks. Exemption of special cost-of-living allowances would mean extra payments of between £35 and about £170 for the 100,000 or so clearing bank employees at present entitled to London and large town "weighting."

Grunwick judge at plant

By Our Labour Staff

LORD JUSTICE SCARMAN, heading the court of inquiry into the Grunwick dispute, crossed a peaceful picket line yesterday as he passed through the factory gates to see for himself what working conditions were like.

Journalists reject money offer in closed shop dispute

By Pauline Clark, Labour Staff

NEW EFFORTS to find a solution to the six-week-old newspaper dispute in Darlington received a serious setback last night when leaders of the National Union of Journalists rejected management proposals that it would be wrong to compensate the journalists for denying them a closed shop.

Railwaymen vote to stick by Government 12-month pay rule

By Ray Perman, Scottish Correspondent

THE GOVERNMENT was given hope of salvaging something from its pay restraint policy yesterday when the railwaymen voted for an orderly return to free collective bargaining.

Parker welcomes new transport policy

By Ray Perman, Scottish Correspondent

BRITISH RAIL'S chairman, Mr. Peter Parker, yesterday gave a qualified welcome to the Government's Transport White Paper, which he said, answered some of the railway's demands for guarantees about its future and flexibility within its business enterprises.

FINANCIAL TIMES JOURNALIST APPEALS

Break caused 'disappointment'

MR. JUSTIN DUKES, general manager and a director of the Financial Times, told an industrial tribunal in London yesterday that it was a matter of "enormous disappointment" when his management had to end the contract of Mr. C. Gordon Tether, who for 21 years wrote the newspaper's Lombard column.

editor told him on July 20 that he intended to maintain an independent Lombard column and would ask other journalists on the paper to contribute to it.

Union plan for Unilever to combat redundancies

By Our Labour Staff

THE GENERAL and Municipal Workers' Union is to join with trade unions in Germany and Holland in making individual appeals to Unilever's group management for a comprehensive programme of diversification to combat redundancies in the meat industry.

Advertising in the wrong media is like pouring water on the desert whatever you spend you'll achieve little result. Pan Arab Computer Center has the first computerised Media Monitoring System and Media Survey in the Gulf. It can give you detailed research, accurate figures and competitive information at anytime to help you invest your money wisely. PACC A quality service company PAN ARAB COMPUTER CENTER P.O. Box 921 Kuwait

Table with multiple columns listing various services and contact information under the heading 'Here's where to find it:'.

Advertisement for Yellow Pages featuring a photograph of a person and the text 'You'll find us in Yellow Pages under (name of heading)'. It also includes a large headline: 'But it would be better to do it like this.' and 'Direct the consumer to your permanent where-to-list - in Yellow Pages, which works hard 365 days a year.'

Advertisement for Yellow Pages with the headline 'You could do it like this...' and the text 'When you fill your ad. with a list of stockists, you're restricting creativity and media flexibility - the ad. soon gets thrown away - and you pay for space that could be used more effectively.' It also includes the Yellow Pages logo and 'YOUR VITAL LINK'.

Advertisement for Yellow Pages with the headline 'But it would be better to do it like this.' and the text 'Direct the consumer to your permanent where-to-list - in Yellow Pages, which works hard 365 days a year. They you need put in your stimulative advertising is 'Find us in Yellow Pages under (heading)'. It also includes the Yellow Pages logo and 'YOUR VITAL LINK'.

THE FINANCIAL TIMES

(Established 1888)
Incorporating THE FINANCIAL NEWS
(Established 1894)

Head Office Editorial & Advertisement Offices:
BRACKEN HOUSE, CANNON STREET, LONDON EC4A 3DF
Telephone Day & Night: 01-248 8800. Telegrams: FINAMTIS, LONDON
Telex: Editorial 886341/2, 883897 - Advertising: 835633

THURSDAY, JULY 14, 1977

A new bomb debate

THE EMERGENCE of the neutron bomb as a weapon almost ripe for deployment has clearly come as a shock to those who do not closely follow defence questions. The U.S. Senate took the unusual step of debating it behind closed doors and while President Carter has said that deployment should be an American option, he has yet to make his final recommendation.

The general concern is not surprising: whereas tactical nuclear weapons at present deployed tend to destroy indiscriminately, the purpose of those now under consideration would be to limit the damage—to kill people while leaving buildings and infrastructure intact. It is entirely natural that such concentration on killing should inspire revulsion.

Warning
There are three points, however, which are in danger of being overlooked. The first is that while present tactical nuclear weapons may not be specifically intended to kill people, they would in fact do so, if they were used. The potential death ratio would therefore not necessarily be increased, if the neutron bomb were introduced: indeed it might even go down if the weapon could be more selectively targeted and given greater accuracy.

The second point is the extent to which NATO is already obliged to rely on tactical nuclear weapons for its defence. That is partly because the balance of conventional forces in Europe is so heavily weighted in favour of the Soviet Union and the Warsaw Pact, and partly because of geography. It is a problem that has become worse with time. Improvements and qualitative improvements in Warsaw Pact forces have meant that the Soviet Union could launch a conventional attack on Western Europe with very little warning. NATO doctrine is to be ready to respond to such an attack with tactical nuclear weapons, if necessary. So long as this situation prevails, it is understandable that the Alliance should seek to improve its tactical nuclear capability. In other words, it is better to have weapons with a high degree of accuracy than one which wreak indiscriminate destruction. The neutron bomb could fill that role. There is also the corollary that the argument against the neutron bomb is an argument against tactical nuclear weapons in general.

The third point that is in danger of being overlooked is the lamentable lack of progress in arms control and the singularly limited scope of such negotiations as are at present under way. At least until the arrival of President Carter, the strategic arms limitation talks between the Americans and the Russians were confined to strategic (that is intercontinental) systems and proceeded by setting ceilings to which the respective arsenals could rise rather than levels to which they should be reduced. The negotiations on East-West force cuts in Central Europe have got nowhere after more than three years. There is no East-West forum at all for discussing tactical nuclear systems, nor for re-examining old definitions of what is and what is not strategic. The Soviet Union, for instance, is now introducing missiles which would be capable of destroying much of Western Europe, but which are not defined as "strategic" simply because they lack the range to reach the U.S.

Steady market in housing

THE NET inflow of funds to members of the Building Societies Association fell sharply in June, from £511m to £304m—though the clearing banks, in the banking month to mid-June, were still losing term deposits to competitors, among whom they rate building societies as the keenest. The drop in the net inflow, however, was due to a steep rise in drawings, which is normal at this time of year as depositors draw on their savings to finance holidays. There was little change in the amount advanced by the societies during the month, and they now firmly expect to lend more this year than last, even if the net inflow runs some way below its peak level from now onwards.

The steps taken by the building societies to smooth out their rate of lending, and so to avoid the alternations of feast and famine which can play havoc with the housebuilding industry, have in fact been reasonably successful. The Government in its recent consultative document on housing, suggested a number of ways in which they might take this process further—some of which, like the raising of more funds through long-term deposits, already command mixed support within the industry. But others imply a degree of dependence, actual or potential, on Government assistance which most societies will not relish, especially when the need for it is debatable.

Shore proposal
Mr. Shore, however, is also proposing to stimulate the demand for home-ownership by offering two forms of special Government assistance to first-time purchasers—a bonus on the amount saved and a loan interest-free for five years, both to be made available at the time of purchase. One building society has already commented unfavourably on this proposal. Given the plentiful supply of mortgage funds, has suggested the drop in mortgage rates and the sharp drop this year in the number of new houses

Zbig's foreign policy advice to Carter

By DAVID BELL in Washington

DR. ZBIGNIEW BRZEZINSKI, President Carter's National Security Adviser, is emerging as one of the most powerful men in Washington. In itself that may not be unusual. Recent Presidents have come to rely heavily on the man who runs the National Security Council. With his office in the White House—in a city where access to the President means power—he has an unrivalled opportunity to influence the broad range of foreign policy. It was from this position that Dr. Henry Kissinger set out to build his dominant position in the foreign affairs of the U.S. Six months ago at the start of the Carter Administration, there was no certainty that Dr. Brzezinski would come to have the same kind of influence. But it is now clear that he is gaining a far reaching and distinctive effect on administration thinking, particularly on the Middle East and the Soviet Union.

So far Dr. Brzezinski has been able to stay just out of the full glare of the limelight, but in the past two weeks increasing public attention has been focused on the nature of the advice that he is giving the President.

The Israeli lobby has begun saying openly that Dr. Brzezinski has "captured the President's ear," and that he is the principal inspirer of U.S. pressure on the Begin Government. The Israeli Prime Minister will no doubt be playing especially close attention to Dr. Brzezinski during his visit here later this month.

The Russians blame the steady deterioration of relations between Washington and Moscow on Dr. Brzezinski and his critics are increasingly sceptical about administration optimism that real progress with Strategic Arms Limitation is still possible this year. Late last month a leading Soviet spokesman said that Dr. Brzezinski's views amounted to interference in Soviet affairs and could lead to another cold war.

The real extent of Dr. Brzezinski's influence is not yet widely appreciated even in the U.S. He has not, in public at least, allowed himself to become "Carter's Kissinger." The surface similarities are striking but should not be allowed to obscure important differences of outlook and approach. It is true that both men were born in Europe—Dr. Kissinger in Germany, Mr. Brzezinski in Poland (although he spent much of his childhood in Canada). Both went to Harvard, where Dr. Kissinger in due course became a member of the faculty while "Zbig," as he is often known, went on to Columbia. Both have written extensively and have been full members of the foreign policy establishment which still retains considerable



Dr. Zbigniew Brzezinski

He argued in Foreign Policy—and continues to argue with passion—that for all its manifest shortcomings the U.S. is "the most attractive social condition (even if not the model) in the world." But, as President Carter was fond of saying all through his election campaign, the country lost its way in the past 15 years. Vietnam and the various wrenching internal American crises blinded America, to the profound changes in the rest of the world, sapping its confidence.

Now, he believes, that time has passed. A newly confident, and less cocksure, America is ready to engage the Soviet Union on its own ground—peacefully but with determination. Hence the emphasis on human rights in the Soviet Union and elsewhere, and the new attempt to prevent the Russians from stealing an ideological march. He once called this a policy of "peaceful engagement," but he seems not to see it as a contest between equals.

However, Zbig is quick to add that such ideological competition need not, and indeed must not, prevent both nations from co-operating in bringing about détente and in other areas of mutual interests. His critics accuse him of trying to have his cake and eat it, and say that he does not really understand the Russians. Some even suggest that his background as the son of a Polish aristocrat has left him with a dangerous sense of superiority over the Russians.

His view is that his attempt to "experiment with Russian weaknesses," as one of them put it, is fraught with dangers. "He believes that American policy towards the Soviet Union should be mobile, probing and adventurous, and that Russia should be challenged with bold

far reaching and bold in sweep. Like them, also, it is clear where the U.S. wants to go, it is less clear about how it is going to get there. The policy itself bears a strong similarity to the so-called Brookings plan for the Middle East, with a Brzezinski was closely involved. So far it has succeeded in bringing most of the Arab primates closer to the centre, but has a much less positive effect on Israel.

In essence the Brookings called for the abandonment of the Kissinger step-by-step approach in favour of a more overall peace plan envisaged substantial withdrawals, but coupled to the need for major concessions on the right Israel to exist in peace. called for the Palestinians to be given a right of determination.

Negotiating brief

Mr. Begin will be w for signs of the Brzezinski when he visits Washington later this month, and critics argue that, as in of the Soviet Union, underestimated the cap the Israelis to make difficult. They say t strength is as a policy, but that he has less er of producing a negotiat and that he may be in t tough "on the job," in the next few months. (unless all wings Administration are ur one thing, it is the Middle East, policy is reasonable option open Begin is going to have this into account.

Mr. Vance seems enough to assign the ideas man to Dr. B. leaving himself the executor. Mr. Van lawyer by training ar ciation and, in any good friend of Dr. B which makes a split le. All the while Presid remains very much his He seeks advice from widening group. The of Vice-President Wa dale is considera instance, Mr. Ca acquired ever more domestic political. They have yet to "tuned" in every foreign affairs, but the already displays much assurance in foreign f six months ago.

Neither the Preside advisers are likely to be blindly on Zbig—and not want them to. B moment there is no policy" is different from Dr. Kissinger's and that, it too seems to bear a distinctive Brzezinski imprint. Like the Salt proposals it is rest of this century.

President's ear

Dr. Brzezinski is not a particularly modest man, but he would probably take issue with this assessment: "I do not think that I have captured the President's ear. His views have been very consistent over a long period, and they were made without my whispering into his ear. His views are his own."

His views were first formed in the midst of the Cold War and if his attitude towards the Soviet Union has softened since then he remains wary of the Russians. Soviet society, he has often written is ineffective, excessively bureaucratic and uncreative. The Soviet Union is not even a rival for the U.S. when it comes to meeting the aspirations of the people and improving the quality of their life, he wrote in a long article in Foreign Policy last year. Even Soviet military power, while formidable, would not, he has written, prove a match for the U.S. if ever came to a confrontation.

It is true that both men were born in Europe—Dr. Kissinger in Germany, Mr. Brzezinski in Poland (although he spent much of his childhood in Canada). Both went to Harvard, where Dr. Kissinger in due course became a member of the faculty while "Zbig," as he is often known, went on to Columbia. Both have written extensively and have been full members of the foreign policy establishment which still retains considerable

MEN AND MATTERS

India's man of industry

One of the first acts of India's new Janata government was to drop all charges against a man who the former Congress regime, led by Indira Gandhi, had charged with hatching a "deeprooted criminal conspiracy having widespread ramifications to overthrow, by means of criminal force and show of criminal force, the central government."

That man was George Fernandes, the 46-year-old former leader of the Bombay dockworkers who rose to become chairman of the Indian Socialist Party. He is perhaps most widely known as the man who organised the three-week long nationwide rail strike in May 1974 which was instrumental in bringing about the state of emergency declaration by Mrs. Gandhi just over a year later.

Now Fernandes, the populist firebrand, has replaced the conservative Brigjal Verma in the key post of Minister of Industry in a move which has sent shudders down the spine of India's industrial establishment. Brigjal has been switched to Fernandes' former job as Minister of Communications. Fernandes' principal contact with industrialists there was at a ceremony to mark the issue of a new stamp commemorating the Golden Jubilee of the Federation of Indian Chambers of Commerce. He used the occasion to call industrialists and traders "rats" for their habit of "kowtowing to those in authority."

Accounting by letters

Nothing strikes horror more deeply into the heart of the average small businessman than a notification from the dreaded Inland Revenue that they are about to be subject to a "back duty enquiry." Apart from the nail biting and the sleepless nights, it also entails going back through the crumpled accounts, the scribbled-on bills and all the other paraphernalia of long dead business transactions for as far back as six years.

Even at the best of times however "doing the books" is the chore which most small businessmen love to hate most and accountants themselves tell with deeply felt sighs of the gloom which creeps over them when faced with yet another shoebox full of small business accounts to be sorted out for the annual account.

All however is not lost, thanks to Kalamazoo and a man who seemed to me to be a minor genius of the accounting profession called Douglas Thompson who worked out an "alphanumeric accounting system" called CARL while struggling with the accounts of small businessmen in his Bridgworth practice. CARL stands for Code Analysis Recording by Letters and provides a simple manual recording and management accounting system, linked to specially designed stationery, which essentially breaks down the components of a balance sheet into a series of one letter codes. Copies of suitably coded cheques are then posted on to the firm's accountant together with a periodic list of debtors and creditors and an estimate of stock values. Thompson, and Kalamazoo Managing Director Tom Garnier, seemed to think that their new partnership could well "open the floodgates" as there are over a million small businesses who, they believe, could benefit from the new system— not to speak of the countless hordes of aspirant tycoons in the wider world wherever British



"They gave me back my home, my friends, my whole way of life"

When one has known a certain way of life, and costs look like taking it all away, who is there for I like us to turn to?
There is the Distressed Gentlefolk's Aid Association. The DGAA is run by people who understand know that we want to stay in our own homes, surro by our possessions, and close to the friends of a life. So, they help us with allowances and with clothing. Only when we can no longer cope in the DGAA, they can offer us a place in one of their 13 Residential Nursing Homes.
The more you can help the DGAA, the mor DGAA can do to help others. Donations are d urgently. And please, do remember the DGAA making out your Will.
DISTRESSED GENTLEFOLK'S AID ASSOCIATION
VICARAGE GATE HOUSE, VICARAGE GATE, KENSINGTON LONDON W8 4AQ
"Help them grow old with dignity"

Handwritten text at the bottom of the page

ONOMIC VIEWPOINT

BY SAMUEL BRITAN

What not to do about pay



REALLY were true rate of inflation were linked to the money supply. In the 18 months, they there would be a collapse of Phase I. Such absurd mechanical devices exist in the economic establishment and have never been used by sensible men. All that we can say from the study of history is that growth is held, there is a runaway inflation; the guidelines are in the spirit as well as the figures) then will eventually settle this range or with less. How long "evening" depends on the political and a good deal else. It is not merely velocity of circulation. There are limits. More serious is the possibility of an explosion by a fall in investment and activity; i.e. a money-flooding policy. If Ministers reacted to inflation by abandoning monetary restraints, we would have the spectacle of an increase in inflation benefit to employment, but political and industrial would make a election year seem a year by comparison. The principal criticism of the exercise is that it has happened so

many times before, but each time at a higher rate of both inflation and unemployment. Unfortunately Mr. Healey's busy uttering gibes about the "temporary success" of "draconian monetary control in countries where the police are trained in torture" that he did not bother to come to grips with the real arguments. If Ministers continually repeat that monetary control is powerless to curb inflation against union power, or that it can succeed only with the aid of torture, then they are in a very vulnerable position when monetary control is the only weapon they have left.

THE TAX RELIEF CHARADE

Year	Taken out of Budget	Number liable to income-tax
1967-68	100	1000
1968-69	100	20,010
1969-70	250	20,720
1970-71	435	20,570
1971-72	1,300	20,040
1972-73	200	19,480
1973-74	1,800	18,930
1974-75	140	19,810
1975-76	550	20,530
1976-77	500	20,750
1977-78	450	20,950
1977-78	425	20,855

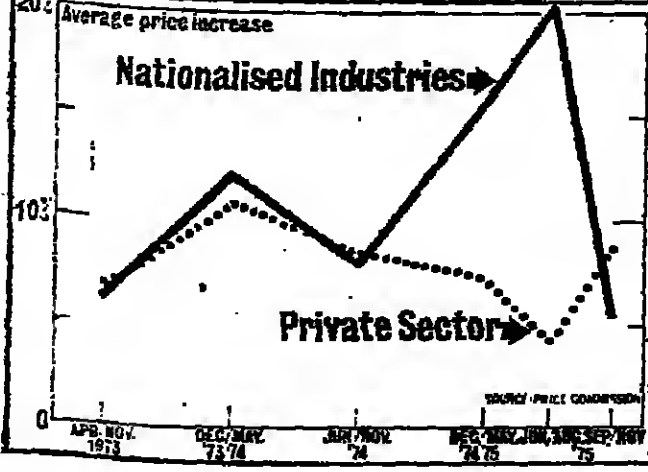
Total taken out of tax 1967-78 6,040
Source: Hansard, Jan 27 and July 6, 1977. Written Answer to J. Baker and M. Lawson.

If sterling had been allowed to float upwards when conditions worsened a few months ago, talk of a fall in the rate of inflation to single figures would have been far more credible than it now is. It is starting to rise and people expect a sharp fall in the rate of inflation, then there is some hope of reasonably low wage settlements. This in turn makes it feasible to reduce the monetary guidelines with further beneficial effects on the exchange rate, both directly and via confidence.

Conventional economic advisers respond to this line of thought as they would to a visitor from Mars. For them the only question has been whether to peg sterling or to force it downwards to maintain competitive power. (The trouble with unbelieving monetarists is that they tend to be incomprehensible monetarists as well.) A feeble and unsustainable compromise has been to fix the sterling-dollar rate at around \$1.72. To take advantage of the dollar weakness to secure a 1 per cent sterling depreciation against the average of currencies.

Basically you cannot teach an old dog new tricks. Now that the trade unions have refused

THE RESULTS OF "AT A STROKE"



to continue their role of Government policemen (and in so doing struck a blow for freedom, for which we should all be grateful), the Treasury is thinking of pay norms which Government departments would try to enforce.

It has for instance been trying to resurrect the old idea of asking the Price Commission to disallow wage settlements above some limit, thereby bankrupting the firms granting them. It would be difficult to think of anything more disastrous. There is, to start with, the practical difficulty of translating an earnings goal of, say, 10 per cent into a figure for wage rates. Even if this difficulty could be overcome, it would be necessary to have a third year of a rigid norm for all, irrespective of the market situation, confronting the particular firm—a perfect recipe for labour shortages and surpluses side by side.

Yet another bad idea is consumer subsidies and freezes on nationalised industry prices. It is surprising that more people have not recognised this approach for what it is: a resurrection of Mr. Heath's "at a stroke" policy which his Government belatedly tried in its latter years; Mr. Healey himself pointed out the other day that this left Labour with

figures at their face value. Even what not to do, as most kinds of frenetic Government activity make things worse rather than better. Much the best of the mechanistic ideas on offer is a suggestion by Mr. Richard Layard of the LSE in other wage income to unions who settle below 10 per cent, with a threshold related to the real wage prior to the settlement. If the arguments are on balance against its official adoption, it is because Mr. Heath's thresholds—although adopted in very different circumstances—showed the danger that such formulae will be manipulated to underwrite overoptimistic ideas about available real wages. But there is everything to be said for individual employers experimenting on their own responsibility with such ideas. This would be a good deal better than wishing CBI letters asking the Prime Minister to do something about excessive wage claims.

The table shows the annual charge of spurious tax "cuts" by which 6m. householders have supposedly been relieved of tax in the last 11 years with no effect at all on the total number of actual taxpayers. The indexation of tax thresholds, as already voted by the Commons Finance Committee, against Treasury advice, would not only make "for fiscal honesty," it would also remove the present temptations for unions to try to offset tax as well as inflation in their wage claims.

There is also an excellent case for cancelling the "conditional" 2p reduction in the basic tax rate. This would not be out of tune with the TUC or any such nonsense, but simply because basic rate remissions are good for headlines but the worst possible way of reducing the tax burden. They do nothing to alleviate the poverty trap at the bottom and very little to alleviate the surtax trap at the top. Increases in the tax threshold—by which I mean real increases, over and above indexation—would do more to remove the incentive to star on the date rather than work than any other humane measure of which one can think under the existing system.

No apology is made for concentrating in this article on

Rougher ride

The most important thing of all, however, will be for critics and commentators to keep their heads and not call on the Government "to do something" when the first batch of large headline settlements comes, whether it is the miners, the local government manual workers, the power workers or anyone else. One should remember—as I wished I had done in 1972—that there is a very long distance between individual figures for settlements and the average movement of earnings over the whole economy. Dramatic and misconceived intervention is only likely to make for a much rougher ride for all than that which in any case lies ahead.

to curb inflation against union power, or that it can succeed only with the aid of torture, then they are in a very vulnerable position when monetary control is the only weapon they have left.

It is quite unthinkable—whoever is the Government and

Letters to the Editor

Common Agricultural Policy

Head of European Ströde's College.

It takes more than a reading of Roy Jenkins' speeches to put together a picture of the common agricultural policy. Mr. John Cherrington's column (July 12) seems based on this slippy ground.

Mr. Jenkins said that the final decision of the Commission on the question of membership, and Harold Wilson's agreement to accept it, is necessary in quite an anxious state of mind. It is through Mr. Wilson's anxiety to hold the Japanese, Chinese and the United States—even with the Russians—on behalf of its members. None of these benefits are directly available to EFTA and a clear expression of no less than 90 per cent of which individual countries could elaborate whom rarely achieve alone.

Legal Services Commission

From the Director of the European Movement.

Sir,—The anti-market tradition of the Leamford column established by Gordon Tett is being resurrected by John Cherrington (July 12). He is entitled to prejudices, but surely not statements which are quite contrary to facts.

His claim that the Common Agricultural Policy has raised prices above what would have been used is just not true. The authoritative study on the effect of the CAP on British food prices by Professor Timothy Josling and Mr. Simon Harris showed that while our retail food index rose by 18 per cent between 1973 and 1976, that is over the first four years of our membership, Community policies could only be held responsible for 2.7 per cent of that increase.

But trade and farming are not the only functions of the EEC. The Yaoundé and Lomé conventions and other agreements have established the Community as one of the most important links between modern Western industrial societies and the Third World. Technical and financial aid and advice are provided on a scale that should prick the consciences of miserly British Governments who gave so little even when times were good.

In such ways the EEC has helped peace, as well as trade, and the search for closer political union by EEC leaders does nothing to weaken this cause. It is not intended, and was never intended, that the European Community should do the job of NATO. Promoting peaceful union and closer co-operation and the gradual elimination of artificial language, legal, social and economic barriers between Members is a positive role. Promoting a military deterrent against attack from outside is a negative role and it is this "balance of fear" theory that has sustained NATO and in some ways made the EEC's task more difficult. Whatever else the EEC may be it is certainly not perfect, but its achievements are positive, its aims peaceful and its benefits more widely evident than critics will admit.

As to direct benefits of membership, Mr. Cherrington seems to ignore the fact that in the first four years of membership Britain received some £1.5bn in direct grants and loans, and in order to cushion the fall in the value of the pound, the European Community at present subsidises our food imports at the rate of £1m-£1.1m per day.

Mr. Cherrington should, furthermore, ask British exporters whether they share his gloomy judgments of the benefits of membership. Since we joined, our exports to the rest of the Community have risen by 87 per cent after allowing for inflation, whereas our exports to the rest of the world rose by only 49 per cent. A recent estimate shows that if our exports to the Community had grown at the same rate as to the rest of the world, our total exports would have been £2.2bn, lower than now, at the cost of perhaps 800,000 jobs.

It is time that uninformed critics called a halt to their denigration of Europe and allowed Britain to settle down and make a positive contribution to the development of a democratic Community.

Linnel Cohen
Ströde's College, Egham.

Ernest Wistrich
Europe House
10, Whitehall Place, S.W.1.

Unfulfilled

It is difficult to understand the Government and are finding it so difficult to agree legislation that would picketing in industry is peaceful and not outside subversive. As Mrs. Thatcher in her Panorama mass picketing can fulfil. The skilled and unskilled labourer will be.

It is difficult to understand the Government and are finding it so difficult to agree legislation that would picketing in industry is peaceful and not outside subversive. As Mrs. Thatcher in her Panorama mass picketing can fulfil. The skilled and unskilled labourer will be.

Electricity theft

From Mr. F. E. Smith.

Sir,—In your newspaper recently there has been comment about electricity and the Theft Act. May I point out that electricity cannot be stolen, otherwise there would be no need for section 13 of the Act, which provides an offence of dishonestly using or causing to be wasted or diverted any electricity. The penalty is less than that for theft and a section 13 offence cannot be the basis for a charge of burglary, or of housebreaking.

To-day's Events

- Balance of payments figures for June.
- Roy Jenkins, president, European Communities Commission, arrives in London this evening for talks with Prime Minister and senior Government members.
- House of Commons begins Report Stage of Finance Bill.
- Reinhold Schmidt, West German Chancellor, ends two-day visit to Washington.
- Greenwich court of inquiry, Piccadilly Hotel, W.1.
- Wingate public inquiry, Whitehall.
- The Queen and Duke of Edinburgh make Jubilee visit to Cleveland and County Durham.
- Mr. C. N. J. Walsh, controller, Lloyds Bank Business Advisory Service, speaks on "The Problems Facing Small Business" at Covent Garden Enterprise Centre, 33, Earlham Street, W.C.2, 2 p.m.
- Royal Tournament opens, Earls Court (until July 31).
- International show jumping, Hickstead, West Sussex (until July 17).
- PARLIAMENTARY BUSINESS
- House of Lords: National Health Service Bill (Lords), second reading; New Towns Bill, third reading; Redundancy Rebates Bill (Commons reasons for disagreeing with Lords amendments); Ministerial and Other Salaries Order 1977, Post Office Bill, second reading; Passenger Vehicles (Experimental Areas) Bill (Commons amendments); Location of Offices Bureau (Amendment) Order 1977; Detonators Bill, remaining stages; Motions to approve Agriculture (Miscellaneous Provisions) (NI) Order, Fatal Accidents (NI) Order and Criminal Injuries Compensation (NI) Order; Northern Ireland (Emergency Provisions) (Amendment) Bill, second reading; Debate on 25 per cent surrender rule and its effect on London as a major centre for international securities.
- COMPANY MEETINGS
- Atkins Bros. (Hosiery), Rieckley, 12, Avenue Close, Winchester House, E.C. 12; Bishopsgate Property and General Investment Trust, 41, Bishopsgate, E.C. 2; Boots, 20, Aldermanbury, E.C. 1; British and American Film Holdings, 113, Park Lane, W. 1; Debenhams, Wigmour Hall, W. 12; Feh International, Swinton, Manchester, 10, 30, Glossop (W. and J.), Halifax, 11, 20, Grant Bros., Croxall, 4, Hamroes Investments Trust, 41, Bishopsgate, E.C. 1; 11, 30, Hunting Associated, 118-127, Park Lane, W. 1; 12, 30, Inch Kenneth Kajang Rubber, Edinburg, 11, 15, Locker (Thomas), Warrington, 11, Meakin, (London), 22, Hanover Square, W. 1; Parkland Textile, Leeds, 12, 20, Queens Moat House, Norwich, 12, 20, Western Motor, Plymouth, 11, 45.
- OFFICIAL STATISTICS
- U.K. banks' assets and liabilities and the money stock and London dollar and sterling certificates of deposit (mid-June).
- COMPANY RESULTS
- Distillers (full year), Imperial



Don't just buy a car

Have one made

The Aston Martin V8 is the result of rare skills and 55 years of unique experience. From the men who design and specify to standards most would find it impossible to attain, to the team who hand-build each car under the guidance of an individual craftsman engineer, everyone at Aston Martin is dedicated to one end. That is the production of a motor car which is as near perfect as possible.

The fact that the V8 is in demand in every country in the world and that it surpasses the requirements of pollution control and safety standards wherever it goes demonstrate the magnificent success of these men and the cars that they build. The Aston Martin V8... to drive it is to love it.

DISTRESSED
AID ASSOC

COMPANY NEWS + COMMENT

Gestetner improves to £15m. in first half

AN improvement in pre-tax profit from £12.01m. to £15.15m. is announced by Gestetner Holdings for the 26 weeks to May 7, 1977, subject to tax of £7.28m., compared with £2.95m. On a current cost basis profit would have been £10.22m. (£8.74m.) before tax up from £4.63m. to £3.35m.

HIGHLIGHTS

Plans for a new Bulmer Holding Company, which will allow a big increase in the dividend, have tended to overshadow the results which are just up to the level forecast. The profits growth at Scottish and Newcastle Breweries is below average for the industry due to a lower than average involvement in the larger market end problems in packaging. Lex also takes a look at the annual report from J. Lyons with the company looking for better results this year on the basis of projected turnover reaching £1bn. Elsewhere Gestetner has turned in better-than-expected figures thanks to stronger volume in the second quarter, but the stability of sterling is likely to dilute the growth in the current half. Christie Tyler has also seen strong volume gains but margins have suffered, dropping by some three points; while at Birmid Qualeast three out of the four divisions appear to have had a rough ride.

The net interim dividend is raised to 2.645p (2.145p) and the directors say they intend to increase dividends as soon as possible. Last year's payments totalling 5,016p were paid from record profit of £3.75m.

Butterfield Harvey decrease

DESPITE A midweek advance from £73,000 to £84,000, Butterfield Harvey finished the year to April 2, 1977 with slightly decreased taxable profits of £1.53m. compared with £1.78m.

Turnover was marginally ahead at £40.7m. against £39.04m. At the half-way stage the directors said that the reorganisation at the company's Greenwich site may prevent the full year's results from exceeding the record £1.78m. for 1976-77.

They now state that the elimination of losses—since which together with clear evidence of improved results elsewhere in the group, gives them confidence that a substantial advance in profits will be achieved in the current year.

Earnings are shown as 5.8p (5.9p) per 25p share and a final dividend of 1.1008p (1.034875p) makes a total of 2.1008p net, the maximum allowed, compared with 1.90875p.

Profit was struck after interest £380,000 (£482,000). Tax after £917,000. (£921,000) and after extraordinary items the amount attributable came out as £227,000 (£200,000).

The firm loss in the Greenwich division has obviously undermined Butterfield's results which show a 15 per cent fall in second half profits. The problems of Greenwich were twofold. The office furniture side suffered from a drop in demand from Government agencies, and the fabrication side hung on for major orders for process plant and sound suppression equipment which in some cases never got started. The management has cut back both divisions quite dramatically and put them on a profitable basis. That established the possibilities for this year look impressive but the likelihood of a bid any day now from Babcock and Wilcox, which purchased a 20 per cent stake from Sir David at the beginning of the month, is overshadowing pure trading prospects. The shareholders come up from 45p at the beginning of the month to 65p, where the p/e is 10.7 and yield is 5.2 per cent, and they cannot hope for anything higher if the bid does not materialise.

Rising costs cut into margins in the first half at Associated Leisure but price rises and an economy drive restored them for the full year. A 25 per cent rise in sales represents real growth in the size of the business, with the number of sited machines increasing by 5 per cent. A major feature of the year was the bid for Stanneylands; in the end, AL bowed out of the auction and therefore is still looking for acquisitions in order to become a more broadly based leisure group. The cash in the balance sheet is up to £2.8m. and it cannot be long before another take-over is attempted. Meanwhile AL makes a good return on shareholders' funds and the yield of 12.1 per cent on the shares at 53p is attractive.

FOR THE six months to April 30, 1977, engineers Bullough lifted profit by £817,500 to £1.45m. subject to tax of £743,200 against £432,900. Sales were up from £10.15m. to £14.19m.

The directors state that forecasts indicate that second half performance is likely to be in line with the first half.

Statement Page 29



Mr. Peter Balfour, chairman and managing director of Scottish and Newcastle Breweries, who has announced record 1976-77 profits of £35.11m. before tax, compared with £30.94m. last time.

Christie Tyler falls to £2.55m.

WITH TAXABLE profit almost halved to £1.73m. against £7.75m. in the second half, furniture and upholstery makers Christie Tyler ended the year to April 30, 1977 down from a record £3.91m. to £2.55m.

The fall in demand in March and April 1977, was greater than expected preventing an advance in second half profits. Just about a fifth, but it is doubtful if its policy of buying volume can last in a weakening retail environment. About three-quarters of CT's turnover comes from the 20 largest retail groups whose own volume sales are under pressure. So it is not surprising that CT's volume and margins are down in the current year. The hope now is for some recovery in the autumn and, ironically, wages boom would help. At this stage the shares are still a gamble at 59p where the yield of 11.1 per cent is covered 3.3 times.

Statement Page 28

Birmid £6.39m. midway

MANUFACTURERS of foundry products, etc. Birmid Qualeast reports taxable profits of £6.39m. for the 26 weeks ended April 30, 1977 compared with £4.35m. for the 26 weeks ended January 31, 1976.

Turnover was up to £103.3m. against £90.3m. due mainly to higher raw material prices and inflation, the directors say. Following the change in the company's financial year end to October, the pattern of the reported figures varies from previous years the directors say because the period to April encompasses part of the main selling season for lawnmower and irrigation products. For comparison, figures for the 26 weeks ended May 1 1976 were: turnover £91.52m.; pre-tax profit £8.24m.; tax £3.24m. leaving £2.99m.

An interim dividend is announced of 1.35p net per 25p share, against 1.225p. Total for the 65 weeks of 1976-76 was 4.988p paid from profits of £4.55m.

Profit was struck after loan stock interest £228,000 (same). Tax £3.1m. (£2.52m.) and minorities £1,000. (nil), leaving £3.08m. (£2.31m.). Profitability has improved in the Wrought and Engineering Products division where the irrigation products group continues to enjoy increased sales, the directors say. On the other hand, lower customer demand for some foundry products, mainly attributable to lengthy industrial disputes in the motor vehicle and tractor industries, reduced profits in the Foundries division.

The company has faced another poor start to the lawnmower selling season. Demand for heating products has remained predictably flat, they add, but the period under review does not cover the main autumn selling season.

comment Birmid Qualeast has not had an easy passage of late. Three out of the four main divisions have suffered from outside developments. The latest of these is the rash of strikes in the motor vehicle and tractor industries which reversed the growth that was expected from the foundry division. More generally, BQ has seen its markets melt before its eyes. Purchases of lawnmowers this year are expected to be 43 per cent down on 1976 levels. U.K. car manufacturers have lost market share over the last five years or so and demand for heating products has slumped over a similar period. In these circumstances the company has failed to meet its 10 per cent dividend future, the foundry division should recover in the second half as long as the motor industry remains peaceful—the export drive continues to make good headway. But lawnmowers and heaters will have to wait for discretionary personal spending to pick up and that will have to wait a little longer. At 52p, the shares yield 13.9 per cent.

Leicester B.S. loans up 35%

Leicester Building Society—the seventh largest, with assets of £869.5m.—is on target to lead a record £200m. to home buyers in 1977 the directors state. In the second quarter to June 30, 1977 advances were up 35 per cent to £20.1m. The higher lending levels follow a 39 per cent up-turn in savings to £128.4m. Fewer withdrawals gave a net intake of £53.5m. which is the first quarter. The society is currently leading at the rate of 5.5m. a week.

R. CARTWRIGHT R. Cartwright (Holdings) recent rights issue of 736,977 shares has been taken up as to 657,173 shares, representing 83 per cent of the issue. The remaining 49,804 shares have been sold for the benefit of the holders concerned at a premium of 5p each.

DIVIDENDS ANNOUNCED

Table with columns: Company Name, Current payment, Date of payment, Corrected dividend, Total for year, Total last year. Includes companies like Anglo-Am. Securities Int., Associated Leisure, Birmid Qualeast, etc.

ISSUE NEWS

LSMO shares close with a 14p premium

Dealings in London and Scottish shares held off to 1.25p. Subject to the resolution passed at the Extraordinary Meeting on August 5, a listing being granted by the Stock Exchange, dealings in Preference and Ordinary shares in their consolidated form commenced on August 5, 1977.

Corporate floaters

Leading stockbrokers in the corporate loan market have confirmed that they are actively looking into the possibility of issuing floating rate bonds, in the form of Government issues, to lengthen the local debt profile.

One of the problems of money for longer than years there is little option issue fixed interest bonds. ever following the £30m Ingham issue there is an amount of indigestion market Local government users are put on issue coupon stocks if they have long term rat fall. Variable rate steel then security against development.

A queue of authorities to bring issues to the stretchers right through year. Although some are dropped out over the p weeks, others are now on the variable rate alternative. News of a floating rate be expected within a few. The most likely issue to which to link the coupon would be the Bill rate. The time gap issue is likely to be to seven year area, though users may be tempted longer given the reduced rate exposure.

KELSEY SCRIP

Kelsey Industries is proposing a capitalisation issue of Ordinary 25p shares in the proportion of one share for one held on July 15. Also the directors intend to consolidate immediately all the Ordinary share capital into Ordinary shares of 25p each, and to effect a further capitalisation issue of 1.5m. new 10 per cent Cumulative Preference Shares of £1 each credited as fully paid in full at a premium of two Preference the proportion of two Preference

Table with columns: 26 weeks, 52 weeks. Rows: Sales, Trading profit, Net income, Stock redemp., Pre-tax profit, Tax, Div., Extraordinary items.

Associated Leisure up 25%

A SECOND half advance in taxable profit from £941,000 to £985,000 for amusement machine makers, operators and distributors. Associated Leisure expanded the full-time figures for the year to March 13, 1977, by 25 per cent to £2.22m. Sales were up from £13.24m. to £16.6m.

The liquid position continues to be strong with cash and short term deposits at year end exceeding £2.8m., the directors report.

Table with columns: 1976-77, 1977-78. Rows: Sales, Pre-tax profit, Tax, Net profit, Pre-audit adj., Extra-ord. credit, Attributable, Dividends, Retained.

Comparatives restated to reflect the change in basis of accounting for deferred tax. A comparison of the surplus on cancellation of loan stock and on disposal of investment in Stanneylands Group, less certain goodwill written off.

Bullough climbs to £1.45m.

FOR THE six months to April 30, 1977, engineers Bullough lifted profit by £817,500 to £1.45m. subject to tax of £743,200 against £432,900. Sales were up from £10.15m. to £14.19m.

The directors state that forecasts indicate that second half performance is likely to be in line with the first half.

DSM!

without question one of Europe's great chemicals and plastics groups

DSM is 75 years old this year and is 50 in The Times 1000 list of Europe's leading companies. Not bad for a group of Dutch coal miners who turned their hand to chemicals and plastics when the coal began to run out and natural gas and oil became plentiful.

As a limited company—with the government as the only shareholder—we have to make a profit just like any other hungry international group. There are no handouts. No lame duck policies. We pay taxes like everybody else. We have to raise our loans in the international money markets of the world.

This year, for instance, we are half-way through our multi-million pound capital investment programme. And this at a time when there is a general down-turn in our industry. A time when investment is remarkably unfashionable.

Our new funds are being spent on new equipment and processes that will take us further into our markets in petrochemicals, fertilisers, plastics, yarn and fibre, feedstocks, rubbers, resins, building materials, transport and clothing.

This should see us well into our next successful 75 years.



There's more than meets the eye. To find out how much write to the Information Department, DSM, Heerlen, The Netherlands.

Advertisement for Robert Jenkinson (Accountants) Limited. Features a large graphic of a stylized 'J' and text: 'Your life could be just accounting until you discover us'. Includes contact information for various cities.

هكذا من الصل

Scottish & Newcastle tops 35m.—to spend £80m.

STING an improved performance in hotels and wines and but also for the first time a drop of one per cent. profit before tax of £30.94m. to a record for the 52 weeks ended 1977.

Mr. E. Balfour, chairman, reports that the cash position of the company is not different from last year. The projects started in the last 12 months will leave payments only to the end of the completion of these and projects he anticipates an outlay of £40m. in the year and not less than £197.75.

Provided that inflation is introduced which reduce profitability, he says he would welcome resources to meet these needs and to continue expansion and re-equipment for the future, Mr. Balfour says he would welcome a measure of industrial de-privatisation that did not result in a total separation from the public sector, or in too many of politically induced sales, the directors remain confident that whatever the vicissitudes of the market will continue to produce. They believe that the market should continue to look for growth in the free trade area.

Share price rose 29p to £11.25p. Net dividend total £2.25p. Maximum permitted (27.77%) with a final dividend of 1.125p. A special dividend of 1.125p will be paid.

Profit includes a first contribution of £20.49m. At May 31, 1977, cash balances were (£28.94m.) and net assets £18.51m. (£21.02m.).

Mr. Balfour says that the directors believe that by the restructuring of brewing patterns and the conversion of existing plants the company can meet the demand for ale and lager over the next five years, which gives time to consider the size and location of new brewing plants. To give adequate capacity for production, a new plant is being installed in the Edinburgh area.

Installation of this new plant is due to be completed next spring. On the packaging side, substantial purchases are being made of new vessels and bagging capability in Edinburgh has been increased. A five-year contract has been signed with Guinness to keg for the company at Runcorn.

A second high-speed can line is being installed in Edinburgh and output of the Newcastle canning line has been increased.

BOARD MEETINGS

The following companies have notified directors of Board meetings to the Stock Exchange. Such meetings are usually held for the purpose of considering dividends. Official indications are not given as to whether dividends are expected or the amounts and the dates on which they are expected to be paid.

79-DAY
 (U.K.)
 Exchange—East London Corporation
 G. Dev. General Funds Inv. Trust
 Watson and Phipps, York
 Watson and Phipps, York
 Fisons—Aldrich Industries, Allied Colloids, Plakay's (Malleable Castings), British Buildings and Engineering, Andriano, Oaslan, Distillers, Emray, Howden Group, Benjamin Press, Security and Universal Inv. Trust, United Gas Industries, Young Austin and Young.

FUTURE DATES
 Interim—East London Corporation July 14
 Jacobs (John L.) July 15
 Leda Investment Trust July 17
 Midrum Investment Trust July 19
 Fisons July 22
 Tatal Services July 22
 Mansel Southern July 22
 Sarsby (W. E.) July 24
 Routledge and Kegan Paul July 29
 Wood (S. W.) July 29

packaging plans will take two to three years to complete at which time some £25m. will have been spent on packaging alone since the rights issue of August, 1975.

At a Press conference Mr. Balfour said there was no question of dropping out of the Harp Lager consortium.

He expected that the company would need a brewery in England still, but a decision would not have to be made until 1979.

He expected a steady increase in the latter market this year. Sales in May were down but June was good.

He predicted that lager would ultimately top 50 per cent. of the market, compared with 40 per cent. in Scotland now and 25 per cent. in the U.K. as a whole. Cider is expected to grow faster than beer.

Statement Page 25
See Lex

Marling second half downturn

A FALL IN second half pre-tax profit of £94,000 to £171,000. Marling Industries to £478,000 for the year to March 31, 1977, compared with £538,000 last time.

The directors say that the policy of widening the company's range of products has continued successfully, but that growth of profit did not follow due to the cost of setting up the new production lines. Management accounts show that the benefit from these investments is now flowing in, they add.

Sales have expanded from £8.4m. in 1975 to a current annual rate of £14m., with the main growth coming in recent months, it is noted.

Earnings per 10p share are shown as 2.245p, compared with 2.255p, and as forecast the dividend is stepped up by the maximum permitted from 0.924p to 1.0165p with a net final of 0.5265p. A 1-for-8 scrip issue is also proposed.

Turnover for the year was ahead of £9.53m. to £11.47m. Net profit emerged lower at £199,000 against £229,000 after U.K. tax payable of £5,000 (£53,000) and deferred £210,000 (£104,000) and overseas tax payable of £75,000 (£38,000) and deferred credit £13,000 (£34,000 debit).

He warns that unless the company is able to recoup the ever rising cost of goods and services supplied to it, it will not be in a position to replace existing plant let alone provide for expansion.

"We are, and shall continue to be, basically free traders. It is our continuing policy to strengthen and sustain our position in our main trading areas, and to look for profitable expansion in any other areas where, after careful assessment, we can identify profitable opportunity," he says.

In order to relieve distribution congestion at Tynes Brewery, a depot at Stockton-on-Tees is being planned and there is consideration for a further depot to serve the area south of the Tyne.

Referring to the possibility of building a new brewery in the north-east of England, announced last year, Mr. Balfour says that the directors now believe that by the restructuring of brewing patterns and the conversion of existing plants the company can meet the demand for ale and lager over the next five years, which gives time to consider the size and location of new brewing plants. To give adequate capacity for production, a new plant is being installed in the Edinburgh area.

Installation of this new plant is due to be completed next spring. On the packaging side, substantial purchases are being made of new vessels and bagging capability in Edinburgh has been increased. A five-year contract has been signed with Guinness to keg for the company at Runcorn.

A second high-speed can line is being installed in Edinburgh and output of the Newcastle canning line has been increased.

Hampton Tst. loss increased to £93,659

On turnover down from £311,490 to £274,422, Hampton Trust incurred a pre-tax loss of £93,659 for the year ended March 31, 1977 against £14,305.

The directors have streamlined the expenses of running the group and believes that it is now in a position to earn a "modest profit".

They say that proposals to raise £165,000 by a placing, were approved at the EGM on May 5 to put the short-term finances of the company on a sound footing.

1976-77	1975-76
Turnover	£311,490
Operating profit	£22,723
Operating loss	£22,723
Finance charges	£1,777
Finance income	£2,286
Finance loss	£4,082
Profit before tax	£18,641
Profit after tax	£14,611
Dividends	£1,283
Profit retained in business	£13,328
Assets employed	£4,814
Earnings per share	£3.87
Dividends per share	£4.81
Extraordinary items	£3,847
Profit	£1,000

It's 4,000 years old, and as new as tomorrow's technology. It can keep you warm, it can keep you cool, and it can save your life. It can be so clear, you don't notice it; so versatile it can even reinforce cement. And last year, we employed 30,000 people to produce it, as well as earning Britain more than £96 million in foreign currency.

Here's a clue: "Pilkington"

For a company whose success has been built on a single material, Pilkington is remarkably diverse. We produce glass for the building and automotive industries; flat glass that can provide a whole range of insulating and light-filtering qualities for buildings, and safety glass that can save lives in motor vehicles. We produce glass fibre—that can do anything from insulating your loft, to reinforcing cement pipes. We make glass for spectacles, telescopes, and scientific instruments; as well as optical fibres—the materials that are opening up a whole new age of communications technology.

And we develop our products and the means of producing them in ways that have made us a world leader. Our float glass process, for example, is now licensed to 16 countries, making us a major contributor to Britain's invisible exports.

If you'd like more information about our group, and its results in the last financial year, please send the coupon for a copy of our Annual Report.

Financial Highlights 1977

	1977	1976
	£m.	£m.
Sales to outside customers	390.1	303.1
Total Group profit before taxation (including licensing income of £30m.—1976 £20m)	62.7	34.6
Group profit after taxation	33.2	14.1
Dividends	6.4	5.7
Profit retained in business	24.0	3.8
Assets employed	506.2	401.4
Earnings per share	51.3p	24.8p
Dividends per share (gross)	16.0p	14.4p

The Pilkington Group worldwide

Distribution of added value
Total to be distributed: £248.1m

Payroll costs	57%
Reinvested in the business	24%
Dividends	3%
Taxation	12%
Interest on borrowed money	4%

To: The Registrar, Pilkington Brothers Ltd., Prescott Road, St. Helens, Merseyside WA10 3TT
Please send me a copy of your 1977 Annual Report.

Name: _____
Address: _____

ISSUE NEWS

LSMO shares with a 14p

LSMO shares rose 14p to £11.25p. The company reported a record profit before tax of £30.94m. for the 52 weeks ended 1977. Mr. E. Balfour, chairman, reports that the cash position of the company is not different from last year. The projects started in the last 12 months will leave payments only to the end of the completion of these and projects he anticipates an outlay of £40m. in the year and not less than £197.75. Provided that inflation is introduced which reduce profitability, he says he would welcome resources to meet these needs and to continue expansion and re-equipment for the future, Mr. Balfour says he would welcome a measure of industrial de-privatisation that did not result in a total separation from the public sector, or in too many of politically induced sales, the directors remain confident that whatever the vicissitudes of the market will continue to produce. They believe that the market should continue to look for growth in the free trade area. Share price rose 29p to £11.25p. Net dividend total £2.25p. Maximum permitted (27.77%) with a final dividend of 1.125p. A special dividend of 1.125p will be paid.

LOSSOP

"Profitable growth will increase"

in the annual statement by the Chairman, Mr. Digby Burnell.

Record pre-tax profit of £733,796 and margins improved. Dividend up to 3.43p, compared with 2.06p for previous year.

The company will continue to increase its efficiency and profitable growth.

	1977	1976
Revenue	£9,539,922	£9,005,742
Profit before tax	£733,796	£630,482
Profit after tax	£409,801	£330,600
Dividends	£156,624	£134,961
Earnings per share	9.26p	8.24p

Details of the Annual Report may be obtained from the Secretary, Old House, Hippodrome, Hullfax, West Yorkshire HU3 8NF.

S & J GLOSSOP LIMITED
Britain's Premier Road Menders

Robert Jenkins (Holdings) Limited

The Group primarily undertakes the design, manufacture and installation of process plants.

ANNUAL RESULTS

	1977	1976
Revenue to 31 March	£14,716	£13,480
Profit before taxation	1,312	954

Points from the statement by the Chairman, Mr. A. Robert Jenkins, CBE, JP

Record year for Group. Profits exceed record made at time of going public.

Policy of balanced diversification showed use in difficult economic circumstances.

Current year has started reasonably well.

Company's shares are traded on The Over-the-Counter Details of this market together with copies of the full and Accounts are available from the Secretary, Robert Jenkins (Holdings) Limited, Rotherham, Yorkshire, S61 1LT. Telephone 0709-6201.

BONDED shaving system

WILKINSON MATCH
Group Results for Year ended 31st March, 1977

Further steady growth expected
Pre-tax profits increased by 30%
Earnings per share (basic) up 23.6%
Dividend increased by 10%

	1977	1976
	£000's	£000's
TURNOVER	182,698	151,001
OPERATING PROFIT	15,289	12,813
INTEREST	2,943	3,307
PROFIT BEFORE TAX	12,346	9,506
TAXATION	6,318	4,781
PROFIT AFTER TAXATION	6,028	4,725
MINORITY INTERESTS	1,448	1,008
ATTRIBUTABLE TO SHAREHOLDERS (before extraordinary items)	4,580	3,717
EARNINGS PER SHARE BASIC—	20.2p	16.3p

Wilkinson Match is an international company manufacturing and marketing consumer products and safety and protection equipment.

23 Sherhops Gate, Park Lane, London W1S 5LB

Other brands shown: BRYANT & MAY, SWAN TESTAS, EDDY, PRONTO, SCHERHORN, MIGHTY MATCH, AUTOWATCH, REDHEADS, SCISSORS, GRAYNER, LION, DON DCE.

Mann Judd

Redemption Notice

Electricity Supply Commission

Guaranteed Floating Rate Notes due 1982

NOTICE IS HEREBY GIVEN that there has been selected by lot for redemption on August 15, 1977, and on that date ELECTRICITY SUPPLY COMMISSION will redeem through operation of the Sinking Fund, at 100 per cent of the principal amount thereof together with interest accrued thereon to the date fixed for redemption, \$1,000,000 principal amount of Notes of the issue above designated, bearing the following serial numbers:

Table with columns for Note Numbers with Preference Interest A and B, and their respective principal amounts.

Table with columns for Note Numbers with Preference Interest C and D, and their respective principal amounts.

On August 15, 1977 the principal amount of each of the above listed Notes or portion thereof together with interest accrued thereon to the date fixed for redemption will become due and payable in U.S. Dollars, at the option of the bearer thereof...

For the ELECTRICITY SUPPLY COMMISSION CITIBANK, N.A. as Fiscal Agent.

July 7, 1977

Christie-Tyler Limited

Table showing financial performance for Year ended 30 April, comparing 1977 and 1976 figures for Turnover, Profit before taxation, Taxation, Profit after taxation, Dividend per Ordinary Share, and Earnings per Ordinary Share.

- * Sales up 25% in difficult year for furniture trade.
* Second half profits over double first half.
* Financial position remains strong.

Christie-Tyler Limited Brynmynyn, Bridgend, Mid Glamorgan. First in Furniture

20th Anniversary in London

STATEMENT OF CONDITION

Table showing Assets and Liabilities for June 30, 1977 and December 31, 1976.

Bangkok Bank Limited (Incorporated in Thailand)

Bangkok, London, New York, Los Angeles, Hong Kong, Tokyo, Osaka, Taipei, Singapore, Kuala Lumpur and Jakarta.

Bulmer reorganisation to Qualification for J. Lyons benefit members

A REORGANISATION of the Bulmer Group to improve its management structure will have important side benefits for shareholders. A new holding company, J. Lyons Holdings, is to acquire all the existing Ordinary and Preferred capital of Bulmer through a proposed Scheme of Arrangement which is scheduled to be approved by shareholders on September 28.

Bulmer also announces a profit sharing scheme under which up to 5 per cent of pre-tax profits will be used to purchase shares in the market. Mainly due to a 26 per cent increase in trading profit to £4.73m, and a 27 per cent reduction in interest charges to £0.55m, Bulmer achieved its forecast with £2.8m profit for the 26 weeks ended April 29, 1977.

The trading profit increase arises from U.K. cider sales up by 13 per cent by volume and a general improvement in the world price for pectin; the reduction in net borrowings by £1.7m to £2.3m is primarily due to profits generated from the sale of tax relief on capital expenditures and increased stocks.

At half-way profit was up from £1.8m to £2.8m. The chairman reports that in the first two months of the new financial year cider sales were below those of last year and to some extent less favourable weather conditions are responsible.

U.K. ECONOMIC INDICATORS

Table showing U.K. Economic Indicators for 1977 and 1976, including Unemployment, Currency reserves, Bank advances, and various price indices.

Trade and Industry

Table showing Trade and Industry data for 1977 and 1976, including Steel weekly average, Imports, Exports, and various commodity prices.

Following the imposition of the excise duty, sales growth in the second half was cut back. This reduced the increase for the full year to 13 per cent. In the national cider market volume grew for January to March, 1977, by 11 per cent.

The new structure of the Bulmer group should give greater flexibility in adapting to changes in company law that may follow the Bullock Committee Report, they say.

With the profit sharing plan the Holdings shares acquired will normally vest in the employees five years after the end of the relevant financial year, and the value of the shares at that time will be assessable to income tax. The amount appropriated for the plan will be allowable for corporation tax.

The proposed Scheme of Arrangement will provide a structure under which trading activities of the group are separated from group activities such as central policy and financial control. The new profit sharing plan will apply to virtually all employees—the existing share purchase and share option schemes will be terminated.

Bulmer will become a wholly-owned subsidiary of the holding company with effect from April 30, 1977, and will continue the two main trading activities each of which will be headed by an executive committee.

JACKSONS OF BOURNE END PASSES FINAL

After a mid-way loss of £70,000, the profit of £26,000 for the year ended April 2, 1977, compared with a profit of £39,000 for the year ended April 2, 1976, is a result of a 25 per cent increase in the volume of work.

INVERESK GROUP ANNOUNCEMENT OF INTERIM RESULTS

Table showing Inveresk Group Interim Results for 24 weeks to 11th June 1977 and 12th June 1976, including External Sales, Operating Profit, and Profit before Taxation.

The Directors of Inveresk Group Limited announce the following unaudited consolidated results for the 24 weeks ended 11th June, 1977.

Polymark at peak £741,000

PRE-TAX PROFIT of Polymark International for 1976 rose from £268,000 to a record £741,000 after £239,000 against £220,000 at half way.

Turnover was ahead at £9.9m compared with £7.2m. The directors state that the first months of 1977 show improved figures on 1976 and expect the current year to produce further significant growth.

Record £0.15 for Sheffield Refreshment

After a contribution of £22 of half-way, compared with a £22.64 pre-tax profit for the year ended March 31, 1977, Sheffield Refreshment has improved from £58,310 to a record £188,470 for the year.

Mears Bros. ahead at halfway

Pre-tax profit of civil engineering and building contractors Mears Bros. Holdings rose from £2 to £300,000 for the six months ended March 31, 1977, on a turnover of £20.5m, an increase of £2.5m.

Vertical advertisements on the right margin including 'unsec of succ', 'TAMA BA', and 'INDUSTRIAL LIMITED'.



All of these securities having been sold, this announcement appears as a matter of record only.

New Issue / July, 1977

U.S. \$100,000,000

Canadian National Railway Company

(Wholly owned by the Government of Canada)

8 3/4% Sinking Fund Debentures Due 2002

Interest payable January 1 and July 1

Principal, premium, if any, and interest on the Debentures are payable in The City of New York in lawful money of the United States.

Salomon Brothers Greenshields & Co Inc McLeod, Young, Weir, Incorporated

- | | | | |
|--|---|--|---|
| Kuhn Loeb & Co.
Incorporated | The First Boston Corporation | Goldman, Sachs & Co.
Incorporated | Merrill Lynch, Pierce, Fenner & Smith
Incorporated |
| A. E. Ames & Co.
Incorporated | Bache Halsey Stuart Inc. | Blyth Eastman Dillon & Co.
Incorporated | Burns Fry and Timmins Inc. |
| Dillon, Read & Co. Inc. | Dominion Securities Inc. | Drexel Burnham Lambert
Incorporated | Hornblower, Weeks, Noyes & Trask
Incorporated |
| E. F. Hutton & Company Inc. | Kidder, Peabody & Co.
Incorporated | Lazard Frères & Co.
Incorporated | Lehman Brothers
Incorporated |
| Loeb Rhoades & Co. Inc. | Paine, Webber, Jackson & Curlls
Incorporated | Reynolds Securities Inc. | Wertheim & Co., Inc.
Incorporated |
| Smith Barney, Harris Upham & Co.
Incorporated | Warburg Paribas Becker
Incorporated | Wertheim & Co., Inc.
Incorporated | UBS-DB Corporation
Incorporated |
| White, Weld & Co.
Incorporated | Dean Witter & Co.
Incorporated | Wood Gundy Incorporated | Nesbitt Thomson Securities, Inc.
Incorporated |
| Bear, Stearns & Co.
Incorporated | Bell, Gounlock & Company
Incorporated | Midland Doherty Inc. | Weeden & Co. Inc.
Incorporated |
| Richardson Securities, Inc.
Incorporated | L. F. Rothschild, Unterberg, Towbin
Incorporated | Shearson Hayden Stone Inc.
Incorporated | Seidman, Kobre & Co. Inc.
Incorporated |
| ABD Securities Corporation | Basle Securities Corporation | Daiwa Securities America Inc. | |
| EuroPartners Securities Corporation | Robert Fleming
Incorporated | Kleinwort, Benson
Incorporated | The Nikko Securities Co.
Incorporated |
| Nomura Securities International, Inc. | Scandinavian Securities Corporation | SoGen-Swiss International Corporation | |
| Yamaichi International (America), Inc. | | New Japan Securities International Inc. | |

BIDS AND DEALS

Hawker agrees £14.7m. offer for L. Gardner

Hawker Siddeley looked set last night to achieve a successful takeover of L. Gardner and Sons, the Manchester-based diesel engine builder, with an agreed bid of £14.7m.

The offer price of 540p a share compares with a price of 220p when the shares were suspended on Monday following the announcement of talks between the two companies. The Gardner Board, along with other shareholders who in total account for 43.3 per cent. of the equity, have agreed to accept the terms.

An alternative offer of Hawker Siddeley shares of approximately equal value to the cash offer will be made to Gardner stockholders.

On paper these terms will give Rolls-Royce Motors a healthy profit on the shares it acquired in Gardner a year ago. The motor car and diesel engine company holds almost 17 per cent. of the Gardner equity acquired at about 100p a share.

Mr. Ian Fraser, the chairman of Rolls-Royce Motors said last night that the group will look at the offer with interest. "We are looking at what we might do. We could accept, we could do nothing or possibly do something, but it is far too early to say what we are going to do."

In a joint statement yesterday, Hawker and Gardner emphasised that the diesel engine business would continue to operate from its present location as a separate entity within the Hawker group. No redundancies are expected as a result of the takeover.

The statement adds that the Gardner range of engines, aimed at the commercial vehicle market, is complementary to Hawker's own diesel products. It goes on: "The directors of Hawker Siddeley and Gardner are confident that Hawker Siddeley group's financial strength, production experience, and world-wide export organisation will be of significant assistance in the continuing development of the business."

Gardner also stated that management accounts for the five months to the end of May this year show profits before tax of approximately £1.2m compared with £335,000 for the first six months of last year.

The offer is dependent on the deal not being referred to the Monopolies and Mergers Commission.

APPROACHES TO MAJOR COLTNESS SHAREHOLDERS

Approaches which may lead to a takeover bid for the Coltness Group have been made to the major shareholders.

In a statement yesterday the company, which manufactures industrial fasteners and bricks, said that it had been informed of approaches to certain major shareholders which may lead to discussions with the Board regarding a general offer to all shareholders.

Significant shareholders include Malville Street Investments (Edinburgh), a wholly owned subsidiary of Bank of Scotland Finance Company, which owns 9 per cent. of the shares. The chairman and chief executive, Mr. Eric Gibbons, also owns 28.9 per cent. through his ownership of Midlands and East Anglia Finance (MEAF) which is reported to be involved in a contract with Coltness Securities, the group's investment and finance company, which has £79,000 on deposit with MEAF.

Over the past two trading days the shares of Coltness have risen by 15p to 82p.

WOLVERHAMPTON DIE CASTING

The Mitchell Somers offers for the Ordinary and Preference shares of Wolverhampton Die Casting have become unconditional as to acceptances and will both remain open.

Acceptances have been received in respect of 2,897,895 Ordinary shares (65.58 per cent. of the 4,419,000 shares) and 99,789 held before the offer period represent 87.58 per cent. of Ordinary capital; acceptances have been received in respect of 204,031 Preference shares representing 89.58 per cent.

IMPROVED OFFER FROM JOKAI

Jokai Tea Holdings is making an improved bid for the 150,000 shares of the company, which is held by Stewart Hill Holdings that it does not own.

Jokai will now offer one of its Ordinary shares plus a cash payment of 60p. The offer is subject to a cash alternative amounting to 150p per share.

Jokai shares last night closed up at 220p, putting a value of 140p on the share-based offer.

SINGLO/PURBECK

Singlo Holdings announces that acceptances of the offer for Purbeck Group have been received in respect of 138,777 shares. The number of shares held before the offer amounted to 192,000 and the number acquired during the offer period by conversion amounts to 56,223. The offer has been extended and remains open for acceptance until July 18.

ASSOCIATE DEALS

Moy Vandervell has purchased on behalf of Carshaw Group and associates 3,000 Purbeck at 85p.

J. Henry Schindler, Wang has bought 15,000 Charter Consolidated on behalf of associates at 115p.

De Zoete and Bevan has bought 25,000 Empire Plantations and Investments on behalf of Single Holdings.

Rowntree's French expansion

Rowntree Macintosh, a British confectionery group, has become the largest chocolate manufacturer in France as a result of a bid announced for the Chocolaterie Larvin SA, an established confectionery company based in Dijon. The management recommend the bid and say that shareholders controlling some 60 per cent. of the company have already said they will accept it.

Rowntree is offering 780,000 shares for the share capital of 44,000 shares making a total of 824,000 shares. The offer is roughly 21 times the price of the company's shares on the London Stock Exchange and is subject to Government and exchange controls in France and the U.K.

Larvin's prime asset is a equipped factory built in 1950. The company's sales are currently running at about £120m. a year (£14m. in 1976) and it has about 200 employees. These will be added to Rowntree's existing business in France which recorded sales of about £75-80m. in 1976. Rowntree already owns two French confectionery companies, Chocolaterie Thibet and St. Chocolatier.

If this new acquisition through France will be a major factor in Rowntree's national business this year.

CRANE FRUEHAUF

The Monopolies Commission report on the unwanted bid by U.S. Fruehauf Corporation for Crane Fruehauf, which was made on July 8, has now been sent to the Secretary of State for Consumer Protection. No decision has been published for several weeks. The Fruehauf, which already owns 10 per cent. of Crane was the Commission last November.

FENTON HILL

Fenton Hill International, to many as Hills Airport, has acquired assets and liabilities of the Fenton Hill and Johnson's and the Mupper Show tolls.

STOCKHOLDERS

Stockholders Investment holding of 272,000 Land Aberdeen Investment deferred Ordinary shares (100 per cent. of the deferred share capital) has been placed by Govett.

The sale has been a result of the liquidation of the trust's shares.

GESTFNER HOLDINGS LIMIT

The Directors today declared an interim dividend in respect of the financial period ending 30th November 1977 of 10p per share payable to 6th September 1977 to dividend shareholders registered at the close of business on 6th August 1977. Shares will be allotted on 18th August to Capital Shares and despatched on 9th September.

Bearer holders should lodge coupons 104 with Barclay Limited (Securities Services Department), 54 Lombard Street, London EC3P 3AH. Dividend shareholders should lodge clear days before 6th September for dividend. Capital holders should lodge (with allotment instructions) on 6th September for new Capital Shares.

Tottenham, N.17.
13th July, 1977.

SHARE STAKES

Ethno Holdings: Mr. F. Zwambag (director) has disposed of 100,000 shares out of his holding of 177,000.

Longbourne Holdings: British Indian Tea holds 79,088 Ordinary shares and 36,000 preference, 624 per cent. and 21.06 per cent. respectively.

General Electric Company: Sir Kenneth Bond (director) sold on July 6 3,231 shares at 199p.

Pennine Motor Group: Mr. G. Tapland, chairman, has sold 25,000 shares. Barclays Nominees (M and G Group) hold 625,000 shares.

James Grant and Company (East): Miss R. S. Oppenheim has acquired 43,333 shares, making total holding 213,333.

James Dawson and Son: Mr. E. H. Tutty and Mr. C. J. M. Blackie have ceased to have an interest in 103,039 shares on termination of a trust. Shares were held jointly with another 25 trustee. Consideration nil.

Empire Plantations and Investments: Single Holdings has acquired a further 97,500 shares making total holding 617,500 (10.43 per cent.).

Reckitt and Colman: Mr. A. C. O. Havers (director) has acquired a beneficial interest in an additional 1,432 shares as an executor of an estate in which probate has been granted.

British Breweries: Britannic Assurance is interested in 500,000 shares (7.49 per cent.).

English and Scottish Investors: Prudential Group has bought a further 10,000 shares making total 7.04 per cent.

Stanley Gibbons International: Mr. Bernard Kelly has bought a further 1,500 shares making holding 3,500.

ABERCOM INVESTMENTS LIMITED

(Incorporated in the Republic of South Africa)

Preliminary Unaudited Income Statement for the Year to 30th June 1977

	Unaudited 1977	Audited 1976	Percent Change
Sales to third parties	R'000 115,100	R'000 108,800	+5.8
Income before tax	11,441	12,723	-10.1
Tax	2,719	4,368	-37.0
Income after tax	8,722	8,355	+4.5
Outside shareholders' interests	316	436	-27.3
Earned for ordinaries	8,406	7,929	+5.8
Ordinary shares in issue (weighted average)	14,050,000	13,790,000	+1.9
Earnings per share	59.8 cents	57.5 cents	+3.9
Dividends per share	40.4 pence	38.8 pence	+4.3
	29.0 pence	29.0 pence	0.0
	19.6 pence	19.6 pence	0.0

NOTES

COMPARATIVE FIGURES are prepared on the same basis as for the current year and are in accordance with South African generally accepted accounting practices 1,003.

TAX. The over all rate of taxation has benefited from continued new provisions resulting in capital allowances.

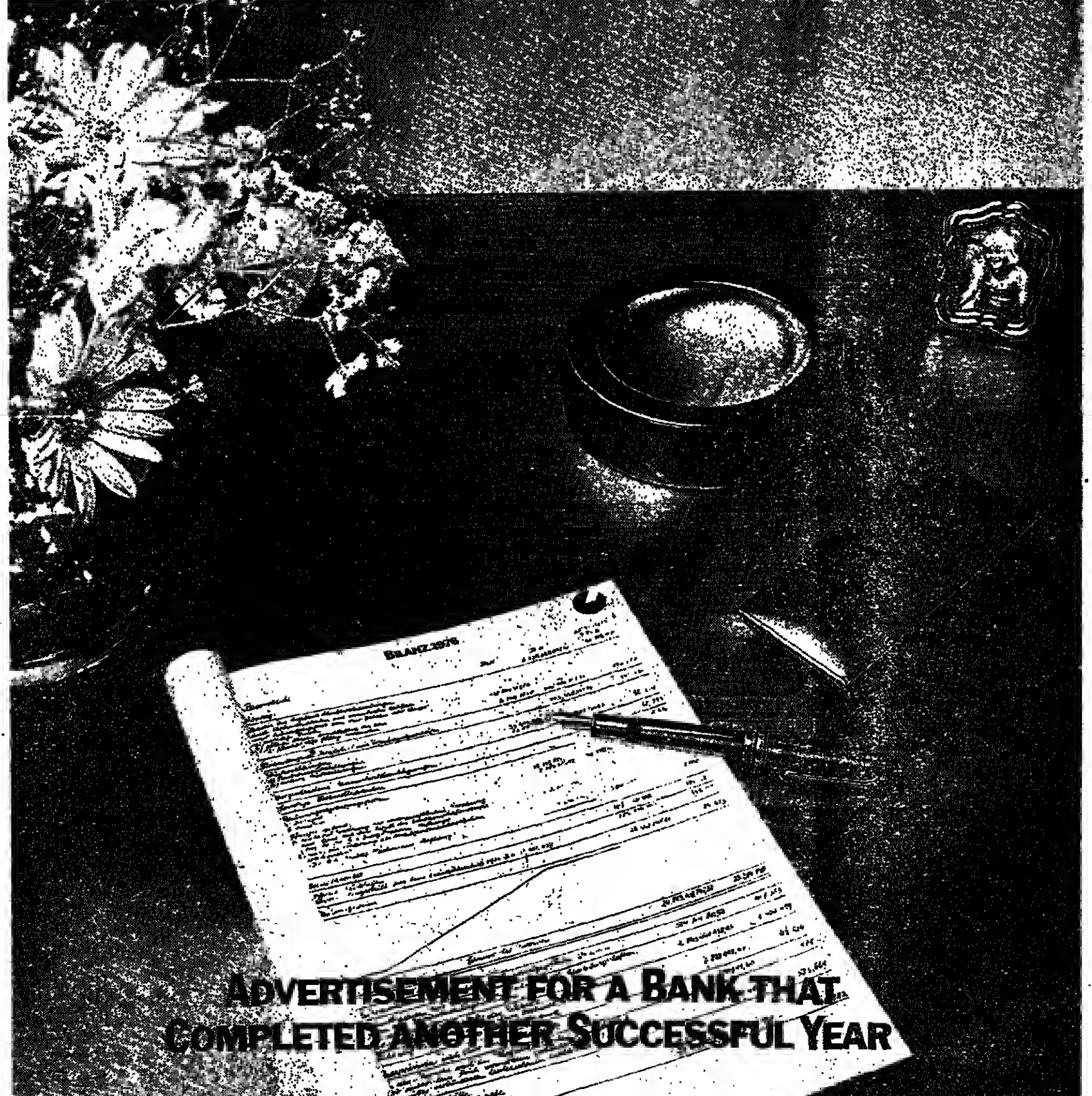
DIVIDEND NO. 29 has been declared at the rate of 19 cents (12.8 per cent) per share, and will be payable to shareholders registered on Johannesburg and London registers on 26th August 1977. Dividend cheques will be posted on or about 30th September 1977; those for shareholders on the London register being drawn at the rate of exchange then in force. Non-resident shareholders' tax where applicable, will be deducted.

This declaration is in accordance with our interim statement published February, 1977.

ANNUAL REPORT. Full annual accounts will be posted to shareholders on or about the 19th August 1977.

Abercom Investments Limited,
20 Anderson Street,
Johannesburg.
13th July 1977.

By-Order of the Board
D.J. McLOUGHLIN
Secretary



ADVERTISEMENT FOR A BANK THAT COMPLETED ANOTHER SUCCESSFUL YEAR

DG BANK Deutsche Genossenschaftsbank of Frankfurt am Main, West Germany, reports on another successful year of expansion at home and abroad. In 1976, the Bank's total lendings - in various currencies - increased by nearly 16 percent to DM 15.7 billion (U.S. \$ 6.6 billion), and its consolidated total assets grew by close to 11 percent to exceed DM 39 billion (U.S. \$ 16.5 billion). Although the Bank's tax burden more than doubled, its shareholders again enjoyed a dividend amounting to an 8 percent return on their investment.

In 1977, DG BANK aims for continued growth of its international business in which the Bank engages on behalf of a group comprising more than 5,000 local and ten regional banks in the Federal Republic of Germany. These international activities are supported by branches, representative offices, and affiliated banks in the world's key financial centers.

DG BANK Deutsche Genossenschaftsbank, Taunustor 3, D-6000 Frankfurt am Main 1.

Balance Sheet (Abridged)* as at December 31, 1976 (DM million)

Assets	Liabilities
Cash	235.9
Bills Receivable	413.5
Due from Regional Cooperative Banks	3,641.7
Due from Other Banks	10,579.2
Treasury Bonds	1,161.3
Bonds and Notes	2,825.7
Due from Non-Bank Customers	4,907.2
Due from Public Authorities-Equalisation Claims	82.8
Investments in Subsidiaries and Affiliates	41.3
Premises and Equipment	47.2
Other Assets	499.3
	24,813.4
Liabilities	
Deposits of Regional Cooperative Banks	12,524.8
Deposits of Other Banks	6,210.1
Deposits of Non-Bank Customers	2,006.3
Bonds and Notes Issued	2,746.5
Provisions and Global Valuation Reserves	142.2
Other Liabilities	399.9
Foundations	3.0
Capital and Reserves	752.0
Profit After Transfer to Reserves	28.6
	24,813.4
Endorsement Liabilities	524.7
Guarantees	2,843.4

Statement of Income (Abridged)* 1976 (DM million)

Expenses	Income
Interest Expense	1,142.8
Staff Expenses	45.2
Other Operating Expenses	36.4
Taxes	48.5
Other Expenses	44.3
Net Income	58.3
Total	1,375.8

DG BANK
Deutsche Genossenschaftsbank

THE BROADLY BASED BANK.

مكتبة امير المؤمنين

MINING NEWS

Tara paying \$7.5m. for Northgate shares

KENNETH MARSTON, MINING EDITOR

AS Tara Exploration and Mining says that it proposes to acquire an offer of 1m. shares in Northgate Exploration at \$7.50 per share...

Western Mining waits for Fraser

The Australian minerals group, Western Mining, is in a position to proceed with the construction of a pilot plant for the test processing of uranium from the Yerrilee deposit...

BUSINESS AND INVESTMENT OPPORTUNITIES

READERS ARE RECOMMENDED TO TAKE APPROPRIATE PROFESSIONAL ADVICE BEFORE ENTERING INTO COMMITMENTS

Finance for Growing Companies

If you are a shareholder in an established and growing company and you, or your company, require between £50,000 and £1,000,000 for any purpose...

CHARTERHOUSE Charterhouse Development, 1 Paternoster Row, St Pauls, London EC4M 7DH. Telephone 01-248 3999.

MARKETING OPPORTUNITY Specialised Marketing Division of large well-known International Company seeking products to market throughout U.K. and Scandinavia...

MOTORCOMPONENT & ACCESSORY MANUFACTURERS If you are a manufacturer of accessories and components for the motor industry...

MIDDLE EAST We are a British managed Company with annual turnover of £1.5m. showing 25% net profit. Require £300,000 for three years to take advantage of outstanding opportunities...

Manufacturing Company in North of England HAS FACTORY AND OPEN SPACE AVAILABLE Seeks additional lines for production on basis of co-operation or participation...

PARIS JAPANESE RESTAURANT/NIGHT CLUB Favourable lease - central position, opening shortly, 50% equity investor sought for £48,000...

COMPANY REQUIRED Private company with substantial cash resources seeks acquisition of company with net assets of approx. £200,000...

CRAWLER LOADERS FOR SALE Owing to cancellation of order we have available a limited quantity of new and used 1 cubic yard, 4½ hp machines...

PUBLISHERS' AGENT/S REQUIRED To sell advertisement space in TRADE/TECHNICAL magazines. Excellent commission. Write in first instance to Box G.336...

LIMITED COMPANIES FORMED BY EXPERTS READY MADE 282 COMPANY SEARCHES EXPRESS CO. REGISTRATIONS LTD. 30, City Road, E.C.1. 01-238 5434/577361, 9936

CANADIAN COMPANY Incorporated in complete building material and interior finishes, wishes to set up in Middle East, preferably Saudi Arabia...

PLASTICS Business, management and technical consultants to the plastic moulding and engineering industries, also specialise in design, development, design and drawing services available.

YOUR OFFICE IN REGENT STREET ADVICE BUSINESS SERVICES 24-hour telephone answering. Luxury furnished private offices. Security, telephone, fax, and more. 150, Regent Street, W.1. Day 01-734 9571 - Fax 01-734 5351

TRAINING FACILITIES TO SPARE? Young public company with expanding plant and equipment. Training facilities with view to sharing. Areas: N.W. London/Hiddlesex. Write Box G.330, Financial Times, 10, Cannon Street, EC4P 4BY.

EXPLORING OPPORTUNITIES IN U.S.A.? British marketing consultant visiting Boston and July could help you. Contact Michael Goldman, Telephone: 01-582 2600

MARINE EQUIPMENT. Marketing rights for a new range of British marine equipment. Excellent contacts. Details on request. Contact: 01-238 5434, 10, Cannon Street, London, W.C.2.

BUSINESSMEN Your experience can be mutually beneficial. A small but growing group of companies wish to expand its Board by the addition of two outside Directors. If active you are a Director or Senior Executive with contacts and have knowledge of the problems involved in running a company, please write to us. We have experience of experts, we would like to hear from you. The time involved in the duties we have in mind is only a few hours a month and the remuneration will be commensurate with the knowledge and experience of the people so appointed. Write with full details to The Managing Director, Box G.337, Financial Times, 10, Cannon Street, EC4P 4BY.

START A Small Import-Export Agency. Free details at home by post. Write to: (Company name) 10, Cannon Street, London, W.C.2.

SUCCESSFUL PLANT HIRE COMPANY specialising in the hire of large hydraulic excavators etc. to the Open Cast Coal Mining Industry. Present management willing to consider reason for sale - Family Problem. Suggestions, please to Box G.337, Financial Times, 10, Cannon Street, EC4P 4BY.

URGENTLY REQUIRED by bonded-liable Electrician purchase of several second hand 1750-watt, single phase automatic frequency converters. Write to Box G.338, Financial Times, 10, Cannon Street, EC4P 4BY.

Acquisition in the U.K.

Under the above advertisement heading we invited acquisition specialists to contact us for confidential acquisition work in the U.K. (F.T. June 23/June 24). Many of the replies were unfortunately lost in the French postal system while being forwarded. We therefore kindly invite applicants to send a copy of their reply to the following address:

We are a young Swiss firm of excellent standard, specialising in the engineering and delivery of Special Machinery and Complete Plants for the Chemical, Food & Aluminium Industries

Successful developments and the introduction of new process technologies are the basis of our reputation and the increasing worldwide demand. To fulfil the exceptional profit potential we are now seeking a partner with £300,000 to invest. Write to Box G.320, Financial Times, 10, Cannon Street, EC4P 4BY.

International Casino Concern based in Switzerland opens in a few weeks at an European Tourist Capital (full year season), the only official gambling hall (roulette, black-jack) based on a 5-year contract with the Government. Further activities are possible and provided. The management is done by international experts. Substantial interest available. For further information write to Box no. 350, A 1071 Vienna

IS YOUR BUSINESS RUNNING OUT OF STEAM? ... EX-GROWING? UNABLE TO EXPAND OR REALISE CAPITAL OUT OF EXISTING RESOURCES? This perhaps, we can help by either: 1) Developing for you the embryo of a growth development; 2) Convert available assets into a more profitable investment; 3) Invested time why not invest us? We are now Managing Directors of a successful group of companies involved in a diverse range of activities from property to multiple retail with successful track records and a large degree of success. An excellent opportunity to invest in a broad front with a high return and a large degree of success. An appeal will be dealt with promptly and with utmost discretion. Write Box G.307, Financial Times, 10, Cannon Street, EC4P 4BY.

YORKSHIRE/LANCASHIRE BASED COMPANY REQUIRED A Public Company wishes to purchase for cash a successful business earning profits in excess of £50,000 per annum. Must have a good record with efficient management and continuity guaranteed. Full particulars in strict confidence to Box G.305, Financial Times, 10, Cannon Street, EC4P 4BY.

DEPARTMENTAL STORES A large, well-established company with a present turnover of £1,500,000 manufacturing and retailing its own products requires sites in large departmental stores on a rental or profit-sharing basis. Open to discussion. Write Box G.255, Financial Times, 10, Cannon Street, EC4P 4BY.

CLEANING CONTRACTORS Successful and well established privately owned cleaning contractors with expanding turnover, currently at £300,000, would be interested in discussing amalgamation with similar size Companies. Particular areas of interest are industrial and heavy industrial cleaning, or similar complementary activities. Write in confidence to Box G.321, Financial Times, 10, Cannon Street, EC4P 4BY.

INDIA The Managing Director of a Successful City Financial Company is visiting India end of July. Top Financial and Industrial contacts. Will consider taking on and executing the rights commission. Write Box G.335, Financial Times, 10, Cannon Street EC4P 4BY.

LIMITED COMPANIES FROM £69 Our international service includes formation in Britain, Isle of Man, Channel Islands, Bermuda, Cayman, and all major countries. SELECT CO. REG. 1 Abchurch Lane, London, E.C.4. Tel: (0424) 23718. Telex 428554

PRESTIGE CARS WANTED ROMANS LTD. MERCEDES & VOLVO SPECIALISTS Due to an unprecedented demand for Mercedes and Volvo, telephons and Special Cars we are willing to pay exceptionally high prices for low mileage Mercedes and Volvo. Cash or bank purchase. Immediate sale. No time to lose. Call now for immediate attention. Telephone CHRISTOPHER CLAYTON, BUCKWOOD (04967) 4567. 7 days a week.

DO YOU WISH TO SELL YOUR BUSINESS? We have a number of clients in London and the Home Counties wishing to expand or diversify. If your business has sound ideas, strong management and a reasonable track record we should like to hear from you. Principals only please reply to full confidence to Box G.296, Financial Times, 10, Cannon Street, EC4P 4BY.

PROGRESSIVE SECOND DIVISION FOOTBALL LEAGUE CLUB (LONDON AREA) seeks Sponsorship proposals from interested Companies and individuals. Write in first instance to Box G.312, Financial Times, 10, Cannon Street, EC4P 4BY.

INTERNATIONAL ORGANISATION OF BROKERS Property investment, money, funds, accepting members in U.K. and EEC. THE MERCHANT BROKERS EXCHANGE (25) 56, Wigmore Street, London, W.1.

WE wish to acquire a SMALL LITHO PRINTING COMPANY which is situated in the Greater London Area. Must have 500 sq. ft. and/or 4 colour printing machinery. Profits not important. Strict confidence. Please write to Managing Director, Box E.9943, Financial Times, 10, Cannon Street, EC4P 4BY.

WE BUY, SELL AND EXPORT Cement (all grades) Wheat / Maize / Rice / Sugar / Urea / Fertilizers / Reinforcing Bars. Offers of or enquiries for to HAVANT (07012) 7721

LLOYDS INSURANCE BROKERS Principals with no present connection with insurance require solid established broking business or will provide working capital for existing operation for equity participation. Absolute confidence respected. Write Box G.304, Financial Times, 10, Cannon Street, EC4P 4BY.

CENTRAL WALES INVESTMENT PROPERTY FOR SALE OR COUNTRY HOUSE WITH OR WITHOUT INCOME Comprises 4 bedrooms, plus 1 mile salmon/sea trout fishing. Current return 10%; under £75,000 secure. Write Box G.327, Financial Times, 10, Cannon Street, EC4P 4BY.

FREEMOLD-LONDON Fully Equipped Petrol and Service Station For Sale. Tenant available for part of premises at £6,000 p.a. Clear, or tenant would take over whole at increased rental. Phone: 07978 318 or write Box G.316, Financial Times, 10, Cannon Street, EC4P 4BY.

SELLING IN AUSTRALIA. Aggressive 37-year-old British Executive, Australian resident for 15 years. Director/G.M. of a public sector. Interested in re-establishing company in Australia. Write Box G.333, Financial Times, 10, Cannon Street, EC4P 4BY.

A tried and tested new British MOTORCYCLE MACHINE has been developed by a former international dealer. Further equity capital is now required to put the machine into full production. For additional information please write to: THORNTON BAKER & CO. Kennedy Tower, St. Chads Queensway Birmingham B4 6EL

U.S. PRINTER with proprietary new technology holding high returns in large U.S. market with foreign potential is available. Investor for expansion. Write Box G.334, Financial Times, 10, Cannon Street, EC4P 4BY.

SUCCESSFUL Motor Service Area, E.W. Coast, set of interest to long security seeking specialisation. Very high cash returns and growth. Contact: Write Box G.335, Financial Times, 10, Cannon Street, EC4P 4BY.

WOLVERHAMPTON DIE CASTING

IMPROVED OFFER FROM JOKAI

SINGLE PURBECK

ASSOCIATE DEALS

THE STAKES

GESTLINER HOLDINGS

INVESTMENT LIMITED

DNEY MARKET moderate assistance Banks carried over run-down were found in the region of 6-7% rate 8 per cent. balances from Tuesday, the per cent. authorities held maturing local. In the interbank market overnight loans opened at 7-7½ per cent, and ranged between 7 per cent and 7½ per cent before the market closed. Rates rose to 7-7½ per cent in the early afternoon, and closing at 7-7½ per cent. Short-term fixed period interest rates remained firm in fairly quiet trading. Rates in the table below are nominal in some cases.

Table with columns: Sterling, Interbank, Local, Local Auth, Finance House, Company Deposits, Discount, Treasury, Slightly, Bank, Plain Trade, Bills. Rows show various interest rates and percentages.

This announcement appears as a matter of record only.

U.S. \$50,000,000 Calgary Power Ltd. First Mortgage Bonds due 2002. Merrill Lynch, Pierce, Fenner & Smith Incorporated.

Have you a Commercial or Industrial Property Problem in the South West of England? Do you need New Premises? We can help you with your Project Management, or find you new buildings or sites. We can design, build, rebuild, or refurbish to your requirements - (or tell us what you need and we do the rest. Do you have surplus Land or Buildings? We can help you dispose of them to your best advantage. We are specialist consultants in Development, Re-development or Refurbishing for all types of buildings. We are not Estate Agents. We offer a free initial survey - (or we can visit you at your premises. Contact: Paul Hurrell, today quoting Ref. P77. Eparph Associates, 25, Abchurch Lane, London, E.C.4. Tel: 01-238 5434. Fax: 01-238 5435.

WANTED Cash companies or companies with realisable assets. Purchase price high proportion of net asset value. Payment in attractive capital gains tax free form. Please write Box No. LR/260, Streets Financial Limited, 62, Wilson Street, London E.C.2

BUILDING MATERIAL MANUFACTURE A five-year-old company engaged in the above field invites financial participation or total purchase. Turnover - £600,000 p.a. rising. Exports - direct and indirect - 70%. Reason for invitation - parent company in a different field of activity requires capital. This is an entrepreneurial situation now past break-even point with exciting prospects. Write Box G.322, Financial Times, 10, Cannon Street, EC4P 4BY.

MIDDLE EAST Have you got so far and cannot get any further? We can help you achieve your objectives in any field, in any country in the Middle East. Our personal experience and extensive contacts in the area might clinch it for you. Write to us in concise detail. Write Box G.323, Financial Times, 10, Cannon Street, EC4P 4BY.

YOUR CAPITAL IS ERODING PUT A STOP TO IT-NOW! "don't look the other way" while the purchasing power of your capital declines, stop it now. The Private Investor's Letter shows how. Write for details of free trial offer to The Private Investor's Letter, Dept. 11, 13 Golden Square, London, W.1. Tel: 01-537 7037 (24-hour answering service)

PRESTIGE CARS WANTED ROMANS LTD. MERCEDES & VOLVO SPECIALISTS Due to an unprecedented demand for Mercedes and Volvo, telephons and Special Cars we are willing to pay exceptionally high prices for low mileage Mercedes and Volvo. Cash or bank purchase. Immediate sale. No time to lose. Call now for immediate attention. Telephone CHRISTOPHER CLAYTON, BUCKWOOD (04967) 4567. 7 days a week.

COMMODITIES! North American oil forecasting boom, will affect your trading strategy on the oil market. London, Paris, New York and Chicago. We are now offering you a "FREE" copy of our "oil market" report. This report will show you how to profit from the oil market. Write to us now for your free copy. Write to: The Commodities Market, 10, Cannon Street, London, E.C.4. Tel: 01-238 5434.

WANTED FOR CASH SURPLUS STOCKS, DISCOUNTED LINES ETC. OF ANY DESCRIPTION. NO QUANTITY TOO LARGE. PHONE N.B.C. SURPLUS GOODS (NORTH) LIMITED 061-236-4158

ISLE OF MAN OFFSHORE TAX SAFEGUARD Grant the corporations in a low tax area. The Isle of Man is a tax haven for companies. We can help you to set up a company in the Isle of Man. Write to us now for details. Write to: The Isle of Man, 10, Cannon Street, London, E.C.4. Tel: 01-238 5434.

PRECISION ENGINEERING SUB-CONTRACTOR 20 skilled machinists, Modern Plant and Lathes/Drill Presses, M3 and M4. Sole owner seeks to become subsidiary of part of large group. Write to: Precision Engineering, 10, Cannon Street, London, E.C.4. Tel: 01-238 5434.

PRECISION ENGINEERS Small company supplying precision work mainly to the machine tool industry for sale. The company is a well established and profitable business. Write to: Precision Engineers, 10, Cannon Street, London, E.C.4. Tel: 01-238 5434.

COMMERCIAL DEVELOPMENT Substantially pre-let and pre-sold high yielding secondary development near major road. Short/medium-term loan of £70,000 available by developer. Would consider sharing equity. Write to: Commercial Development, 10, Cannon Street, London, E.C.4. Tel: 01-238 5434.

INTERNATIONAL FINANCIAL AND COMPANY NEWS

AMERICAN NEWS

Morgan income up \$9m.

BY JAY PALMER

J. P. MORGAN, the parent company of Morgan Guaranty Trust, America's fifth largest bank, increased its income before securities transactions by 11 per cent to \$80.2m. in the second three months of this year. The gain, identical to that seen in the first quarter, boosts six month returns to \$98.7m. from \$90m. last year.

After securities transactions the bank said that net profit rose 14 per cent to \$81.3m. in the three months. This was a slight improvement over the first quarter and left six months net up 13 per cent at \$101.5m. compared with \$90.2m. in the same period of 1976.

Morgan's gains came partly from an increase in "net interest earnings", the difference between total income received from loans and total interest paid out on debt. Tax-exempt returns on municipal securities provided most of this.

In the first half of this year Morgan opted to increase its reserve for possible loan losses by very nearly \$26m., a sharp reduction on the \$40m. increase deemed necessary in 1976. Net charge off of actual loan losses fell during this latest period to \$22.5m. from \$32m.

The bank also said that its current total loan loss reserve now equals 1.08 per cent of total outstanding loans and property acquired in connection with loans compared with 1.10 per cent last year. Non-recording interest on loans only cut net income \$6.1m. in these six months compared with \$7.9m. last year.

FTC moves on giants

THE U.S. Federal Trade Commission has won a court victory in its battle to force many of America's very largest companies to supply it on a very regular basis, with detailed breakdowns of exactly what activities sales

and profits come from, reports Jay Palmer from New York.

A U.S. District Judge in Washington rejected arguments submitted by companies which challenged the FTC move and said that he would sign an order directing companies to comply with the agency. His ruling will however be subject to appeal.

The FTC says that this information on companies' lines of business is in order to analyse in detail sales and costs in some 275 manufacturing and non-manufacturing industry categories. The data supplied, the Agency added, could show up especially profitable areas and signal a lack of competition helpful to anti-trust enforcement.

Kaiser Alum. peak

KAISER Aluminum and Chemical Corporation reports second quarter 1977 earnings of \$90.5m. or \$2.01 a share—a record for any quarter. Last year the corporation earned \$90.5m. or \$1.54 a share.

Sales for the second quarter

of 1976 due to higher costs. The larger volume occurred in the United States, reflecting continued expansion of the U.S. economy. Sales of machines for coal and metal mining, residential construction, and sewer and water systems registered the largest gains. In addition, demand for engines increased substantially over a year ago.

Although demand increased in several countries, total sales outside the U.S. declined slightly reflecting slower economic activity in some Western European countries, Brazil, and Canada.

During the second quarter, four models of machines were

placed on allocation to dealers to avoid inequities of distribution. This action, effective with shipments beginning in August, had no effect on second quarter results as the allocated products represent a small percentage of total sales.

For the first six months, profit of \$2.50 per share of Common stock slightly exceeded the \$2.41 for the comparable period last year.

Sales for the first six months were a record \$2,520m., 14.3 per cent higher than the same 1976 period. Exports were \$1.0 per cent of total sales compared with 57.6 per cent for the first six months of last year.

placed on allocation to dealers to avoid inequities of distribution. This action, effective with shipments beginning in August, had no effect on second quarter results as the allocated products represent a small percentage of total sales.

For the first six months, profit of \$2.50 per share of Common stock slightly exceeded the \$2.41 for the comparable period last year.

Sales for the first six months were a record \$2,520m., 14.3 per cent higher than the same 1976 period. Exports were \$1.0 per cent of total sales compared with 57.6 per cent for the first six months of last year.

placed on allocation to dealers to avoid inequities of distribution. This action, effective with shipments beginning in August, had no effect on second quarter results as the allocated products represent a small percentage of total sales.

EUROBONDS Heavy demand for new issues

BY MARY CAMPBELL

ALTHOUGH currency uncertainties continued to put dampener on buying interest, while some market operators are also clearing the decks before the August break, the new issues in the market seem to be meeting heavy demand. Both British names—Selection Trust and Fisons—had their coupons cut yesterday while Quebec Hydro's issue has been increased in size from \$100m. to \$125m.

One new issue has been announced, a \$20m. floating rate note (FRN) for Yugobanka. It has also emerged that Telefonos

NEW YORK, July 13. during the first half is the improved performance of its aluminium division, which benefited from better prices, good sales volume, and higher earnings of international aluminium affiliates. Earnings of the diversified activities were also up strongly in the first half, accounting for almost 50 per cent of pre-tax earnings during the first six months of the year.

The provision for additional expenses for the LNG tank contract (which is over 70 per cent complete) is reflected in the company's surpluses division results. Under the contract, Kaiser is building and installing 15 of these tanks in three ships being built by another company, and is also applying insulation to the hulls of the ships.

All expenses of completing the project which are estimated to exceed the contract price, and which are not expected to be covered by claims that have been or will be filed, have been charged to expense (\$6.4m. since inception to December 31, 1976, \$1m. in the first quarter of 1977, and \$5m. in the second quarter of 1977—all on an after-tax basis).

PEORIA, Illinois, July 13. placed on allocation to dealers to avoid inequities of distribution. This action, effective with shipments beginning in August, had no effect on second quarter results as the allocated products represent a small percentage of total sales.

For the first six months, profit of \$2.50 per share of Common stock slightly exceeded the \$2.41 for the comparable period last year.

Sales for the first six months were a record \$2,520m., 14.3 per cent higher than the same 1976 period. Exports were \$1.0 per cent of total sales compared with 57.6 per cent for the first six months of last year.

Decision on Montedison expected to-day

By Dominick J. Ciole

ROME, July 13.

THE GOVERNMENT here has been involved in last-minute negotiations in an attempt to bridge the gap between private and public shareholding interests in Montedison, the vast Italian chemicals and textiles group, as to who should be nominated to fill the vacancy caused by the resignation of Sig. Eugenio Cefis, for the past six years the conglomerate's chairman and dominant personality.

The decision should be announced at a meeting of the Montedison Board in Milan tomorrow, and even at this late stage there are at least half a dozen names in the ring, including that of Sig. Cefis himself.

He, however, has denied any intention of remaining on in charge of the group which posted losses last year of some L.172bn. (£115m.) and now has accumulated debts estimated at L.2,800bn. (£1,870m.).

The basic issue at the heart of the controversy concerns the essential nature of Montedison. Sig. Cefis and the ruling Christian Democrat Party have sought to maintain what they claim is the essentially "private" character of the conglomerate, while the Communist and Socialist parties, and the trade unions represented in the diversified group, point to the reality which is that State and State-sector interests effectively control the company.

Sig. Antonio Bisaglia, the Minister for State Participation, has let it be known that a decision by Sig. Cefis to withdraw his resignation would find favour with the Government, but he has now apparently ruled out such a course.

GERMAN COMPANIES

Siemens orders leap by 21%

FINANCIAL TIMES REPORTER

SIEMENS, the West German electrical concern, has reported a 21.2 per cent increase in group consolidated sales in the first eight months of its fiscal year, and a 21.1 per cent rise in orders.

At the same time, group sales in the year to end-September, are expected to exceed DM24bn., compared with DM20.7bn. in 1976-78, and incoming orders between DM25-27bn. are envisaged against DM21.9bn.

Announcing this in Zurich, Herr Bernhard Plettner, the executive board chairman, reaffirmed that Siemens should be able to maintain its DMB division this year in spite of the higher tax burden this entailed.

There was no sign of an end to staff reductions at Siemens, he said, but the fall in the number of employees was slowing down. Overall capacity use in the first half was around last year's 74 per cent. Orders and sales for the first eight months were in line with expectations.

Siemens, which this week announced it was joining with Allis-Chalmers of the U.S. to form a company to be called

Siemens Allis, which will produce power engineering equipment, is considering the construction in the U.S. of a steam turbine and turbo-generator plant with Allis-Chalmers. The project is said to involve some hundreds of millions of marks.

But no decision had yet been taken, Herr Plettner said. Siemens group sales for the eight months to end-May totalled DM14.5bn., compared with DM13.9bn. in the same period of the previous year, and incoming orders were DM17.3bn., against DM14.2bn.

After allowing for the consolidation of the Oerum Group from January last year, and of Kraftwerke Union and Transsteel Union from January this year, however, the rate of expansion is reduced to 8 per cent in the case of sales and to 13 per cent in that of incoming orders.

Kloekner plans to cut 1,500 jobs

KLOECKNER-WERKE AG plans as far as possible by early August to cut back over 1,500 jobs by dismissal, voluntary resignation, and non-replacement of certain unfilled positions.

man, Reuter reports from Duisburg.

At its steel plant in Bremen around 450 administrative jobs are planned to be cut from 7,000 work force, in the Georgsmarienhütte works near Osnabrück around 600 and in Hagen-Haspe around 300 jobs from their combined 3,000 work force.

At the Magnitlansmette-Saizbach-Rosenberg around 90 jobs are to be cut from 16,500 workforce following decisions taken before Kloekner works took over 51 per cent of the unit from the Fiebig group at the beginning of 1977.

The job reductions result in the continuing difficulties in the steel industry, the company spokesman said.

However, the cuts were part of a reorganisation plan and did not entail large scale dismissals. The exact number of employees to be dismissed was to be discussed at the works council meeting next week, which would also discuss a welfare plan for those affected. Reductions would be achieved by early August.



BANCA NAZIONALE DELL'AGRICOLTURA

Registered and Head Office in Rome

ANNUAL GENERAL MEETING, 28TH APRIL 1977

In 1976 B.N.A. achieved satisfactory results due to a wise policy adopted by the management in the distribution of credits. As regards deposits, the household sector led the way with 69.1% of the total, followed by business accounts with 24.7% and public sector accounts with 6.2%.

Loans to enterprises accounted for 92.7%, to households and public sector for 4.2% and 3.1% respectively.

The number of accounts rose to 750,000, a policy of fragmentation of deposits with the objective of ensuring a stable liquidity base. Total deposits, amounted to Lire 4,635 billion showing an increase of 24.1% over the position at the end of 1975 of Lire 3,654 billion. Ordinary Loans end advances to

customers totalled Lire 2,395 billion representing an increase of 19.7% against the previous year's figures. The issuance of approvals of foreign exchange applications, with an increase of 42.8%, showed evidence of the participation in activity associated with trade between Italy and the rest of the world.

Net profit for the year amounted to Lire 9,764 million which enabled the Bank to distribute on 2nd May, a dividend of Lire 175 for each share of Lire 600 par value entitled to full dividend (remaining unchanged not withstanding threefold increase in share capital in the last two years) and of Lire 43.75 for each share of Lire 500 par value entitled to dividend from 1 October 1976.

Mr. G. Ennio Barilla, after many years of valuable service and contribution to the growth of the Bank both on domestic and international level, resigned from his post as Chairman of the Bank in order to reduce the burden of his task. He was appointed Chairman of the controlling company, Bonifiche Siale, and upon request of the Board members, he retains his membership in B.N.A. Board.

At the same meeting, the Board resolved to appoint Count Giovanni Auletta, Arnenise as Chairman and Mr. G. Ennio Barilla as Deputy Chairman. Mr. L. Mizzi was confirmed in his office as Deputy Chairman.

Furthermore, the Board appointed two new Directors in the persons of Mr. G. Gambarara and Mr. U. Quaranta, who were previously General Managers.

Both Mr. Gambarara and Mr. Quaranta were appointed Managing Directors.

MOST SIGNIFICANT ITEMS OF THE BALANCE SHEET

Total deposits	4,534,782,474,950 lire	Loans and advances	2,394,773,862,567 lire
Savings and current accounts	3,495,573,110,776 lire	Profit for the year	9,764,126,306 lire
Capital and reserves (after A.G.M. resolution)	93,928,000,124 lire	Total	7,332,150,118,544 lire

Weekly net asset value on July 11, 1977

Tokyo Pacific Holdings N.V. U.S. \$ 41.83

Tokyo Pacific Holdings (Seaboard) N.V. U.S. \$ 30.50

Listed on the Amsterdam Stock Exchange

Information: Pierson, Holding & Pierson N.V., Herengracht 214, Amsterdam

VONTBEL EUROBOBND INDICES

145.76 = 100%

PRICE INDEX	12.77	5.77	AVERAGE YIELD	12.77	5.77
DM Bonds	106.73	106.36	OM Bonds	4.928	4.993
HFL Bonds & Notes	103.66	103.73	HFL Bonds & Notes	7.763	7.773
U.S. \$ Sert. Bonds	103.25	103.12	U.S. \$ Sert. Bonds	8.215	8.250

J. LYONS

Improvement in profit

Extracts from the Chairman's statement to shareholders for the year ended 1st April 1977.

The Year's Trading

Despite difficult trading conditions for many businesses, our Operating Profit has increased substantially, although this increase has been partially eroded by higher interest and tax charges.

We intimated in our previous Annual Report that this year would be a difficult one for the Group but that the end of the year should see the beginning of a profit improvement; this has been borne out.

Well before the dramatic and probably irrational decline in the value of sterling last Autumn, it had been clear that the Group would have to contract the scope of its activities; this need was reinforced by the fall in the pound which added substantially to our debt and depleted our reserves.

In identifying businesses for disposal, we were intent on preserving our position as international food manufacturers and distributors with the capability for subsequent expansion.

As foreshadowed in the Interim Report the improvement in operating profit, which owes much to our companies in the U.S.A., is offset by higher interest charges, stemming partly from the abnormally high rates which prevailed in the U.K. throughout much of the year, partly from the switching of loans from hard currencies to sterling and partly from interest in respect of the new Carlton bakery complex no longer being capitalized on its completion. Notwithstanding the much higher interest charge there is a substantial improvement in profit before exceptional items whilst earnings before exceptional items are likewise improved. Exceptional items are mainly in respect of Caritoo; no significant exceptional items are expected in future years.

After the payment of the recommended final dividend there is an overall reduction in reserves of £8.8m. This is mainly attributable to the high level of extraordinary items this year as a result of the realised losses caused by a fall in the value of sterling on repayment of foreign currency loans, provisions made for the losses incurred in South Africa and an adjustment to goodwill following the sale of part of our French meat interests.

The Future

The major investment programmes being now completed, we shall be selective and sparing in our investment support across the Group while our indebtedness remains at its present level.

The underlying strength in the U.S. economy and encouraging evidence of improvement in some of our mainstay U.K. businesses and major European operations, contrast with the situation a year ago when we drew attention to adverse factors in the environment and in some of our businesses. The recent fall in interest rates is also beneficial.


Whereas last year we had to strike a note of caution, we now feel that, despite the loss of contribution from the businesses which have been sold, the current situation and the expected level of profits for the year provide a basis for reasoned optimism. On the basis of five months of the trading year for most overseas businesses and two months for most businesses in the U.K., the year can be said to have started encouragingly and in line with our expectations. This situation has been taken into account by the directors in deciding to recommend to the shareholders the payment of a final dividend at the previous year's rate.

SUMMARY OF RESULTS	This Year 2000	Last Year 2000
Group turnover	769,000	651,000
Operating profit	38,271	29,088
Profit before exceptional items	14,229	10,025
Profit before tax	10,384	7,425
Profit before extraordinary items	2,209	1,531
Earnings per share		
- before exceptional items	14.58p	12.99p
- before extraordinary items	5.17p	4.63p

The Annual General Meeting will be held at the Cumberland Hotel, Marble Arch, London, W.1. on Thursday 11th August, 1977 at 10.30 a.m.

Copies of the Annual Report, containing the Chairman's Statement in full, can be obtained from the Secretary, J. Lyons & Company Limited, Cadby Hall, London, W14 0PA.

This announcement appears as a matter of record only



Luossavaara-Kiirunavaara AB

U.S. \$ 50,000,000

Seven year floating rate loan

PKbanken Skandinaviska Enskilda Banken

Bankers Trust Company
The Chase Manhattan Bank, N.A.
Chemical Bank
Citibank, N.A.
Morgan Guaranty Trust Company of New York
Security Pacific Bank

Agent
PKbanken

June, 1977

INTERNATIONAL FINANCIAL AND COMPANY NEWS

Bank of China profit tops 54m. as deposits soar

HONG KONG, July 13. THE BANK OF CHINA, a state-owned bank of the Peking Government, reported its 1976 profit of 54 million dollars, an increase of 25 per cent on the 1975 profit of 43 million dollars. The bank also reported a 30 per cent increase in deposits, reaching 2,373 million dollars at the end of the year.

Reduced tax bill helps Abercom

JOHANNESBURG, July 13. THE OVERSIZED group Abercom, which withdrew last week from its contested offer for the takeover of the Anglo-Transvaal Corporation, has announced preliminary figures for the year ended June 30 which show a modest gain in earnings after a sharp decline in the amount of tax paid.

PORTUGUESE PETRO-CHEMICALS Determined to survive

BY DIANA SMITH IN LISBON RICARDO CABRITA, the short, stocky dyvomo of an industrial chemist who heads the Companhia Nacional Petroquimica (National Petrochemical Company) or CNP, does not believe in waiting, waiting or waiting for someone else to solve his problems—trials which even the Portuguese admit are all too common to a small country.

Swire seeks U.S. growth

SWIRE Pacific's entry into the United States, through the purchase of a Coca Cola bottling franchise in Salt Lake City, Utah, is understood to be costing the company about \$11,700,000. The deal is not yet finalised, but is in the final stages.

Oil Australian move

THE OWN CORRESPONDENT SYDNEY, July 13. The biggest oil exploration venture to be approved in Australia to the go-uranium deposit in the Northern Territory—a venture it entered in 1972.

At present Portuguese per capita consumption of plastics is only 11 kilograms per annum.

But CNP studies predict substantial growth in local markets in the next decade, especially as the marketing of foodstuffs improves and plastic is more widely used for protective wrapping.

Interim Report

Table with 3 columns: 1977, 1976, 1975. Rows include Sales, Trading Surplus, Profit before tax, Earnings per share, Dividends per share.

Sime Darby

THE GOLDEN Bay Realty affair is not yet over for Sime Darby. The vendors of Golden Bay, under an agreement undertaken just over four years ago, have applied to set down last month's High Court award to Sime as a special case in a hearing in Singapore later this month.

SELECTED EURODOLLAR BOND PRICES

Table listing various Eurodollar bond prices for different countries and maturities, including Australia, Canada, Denmark, etc.

Butterfield-Harvey

Prospects Excellent. The Group's trading has been maintained at an encouraging level and shows Group profit before tax of £300,000.

MARKETS

Table listing market data for various commodities and currencies, including gold, silver, and various currencies.

UNITED MEXICAN STATES

DM 150,000,000 Medium Term Loan at a fixed rate of interest. This announcement appears as a matter of record only.

Butterfield-Harvey

Table with 3 columns: 1976/77, 1975/76. Rows include Sales, Trading Surplus, Profit before tax, Earnings per share, Dividends per share.

MARKETS

Table listing market data for various commodities and currencies, including gold, silver, and various currencies.

UNITED MEXICAN STATES

DM 150,000,000 Medium Term Loan at a fixed rate of interest. This announcement appears as a matter of record only.

Butterfield-Harvey

Prospects Excellent. The Group's trading has been maintained at an encouraging level and shows Group profit before tax of £300,000.

MARKETS

Table listing market data for various commodities and currencies, including gold, silver, and various currencies.

UNITED MEXICAN STATES

DM 150,000,000 Medium Term Loan at a fixed rate of interest. This announcement appears as a matter of record only.

Butterfield-Harvey

Prospects Excellent. The Group's trading has been maintained at an encouraging level and shows Group profit before tax of £300,000.

MARKETS

Table listing market data for various commodities and currencies, including gold, silver, and various currencies.

UNITED MEXICAN STATES

DM 150,000,000 Medium Term Loan at a fixed rate of interest. This announcement appears as a matter of record only.

WALL STREET + OVERSEAS MARKETS + FOREIGN EXCHANGES

Index reacts 3 more in early trade

\$ still weak

GOLD MARKET

BY OUR WALL STREET CORRESPONDENT

NEW YORK, July 13

STOCKS EASED further in moderate early trading on Wall Street today. By 1.00 p.m. the Dow Jones Industrial Average was showing a fresh loss of 3.31 at 900.10, while the NYSE All Common Index was 9 cents easier at \$54.87. Declines were heavy in early trading...

Steel were unchanged at \$301. Union Carbide, the most active issue, declined \$1 to \$471 but heavily-traded Lockheed rose \$1 to \$117. International Paper advanced \$1 to \$47 1/2 on lower second-quarter earnings...

Major Motors reacted, losing up to \$2.00. GM fell \$1.00, Ford \$1.00, and Chrysler \$1.00. GM's loss was due to a report that the company was planning to cut production...

The U.S. dollar lost ground in the foreign exchange market yesterday, but generally finished above its lowest levels of the day. Reports that the U.S. Administration is happy with the dollar's recent fall against the stronger currencies was a major factor...

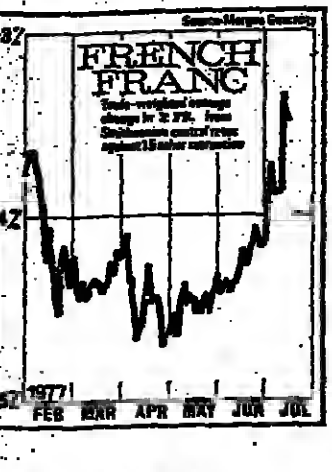


Table of Gold Market prices for various gold bars and coins, including Gold Bullion, Gold Bars, and Gold Coins, with prices listed in dollars and cents.

Table of Foreign Exchanges showing market rates for various currencies including New York, London, Frankfurt, and Zurich.

Other Markets: Canada mixed. After recent firmness, Canadian Stock Markets made a mixed showing in yesterday's morning trade...

Other Markets: Amsterdam. Slightly higher. Unlevered financials in the Dutch international, although Dutch indices just 0.1 firmer at 1,044.77...

Other Markets: Tokyo. Market tended lower, with liquidations in export-oriented Blue Chips more than offsetting selective buying...

Other Markets: London. Sterling remained within a very narrow range in quiet trading, closing at \$1.704-1.708 against the dollar...

Other Markets: Zurich. Zurich remained within a very narrow range in quiet trading, closing at \$1.704-1.708 against the dollar...

Table of Special Drawing Rights (SDR) rates for various currencies.

Table of Tuesday's Active Stocks showing closing prices for various companies like Atlantic Richfield, British Petroleum, and Dow Chemical.

Table of Indices showing high and low values for various market indices like Industrial, HomeBldg, and Transport.

Table of Exchange Cross-Rates showing rates for various currencies like Frankfurt, New York, Paris, and London.

Table of Euro-Currency Interest Rates showing rates for various currencies and terms like 1 month, 3 months, and 6 months.

Table of Forward Rates showing rates for various currencies and terms like 1 month, 3 months, and 6 months.

Table of Tokyo, Australia, and Oslo market data showing prices for various stocks and commodities.

Indices

Table of New York - Dow Jones indices showing high and low values for Industrial, HomeBldg, Transport, Utilities, and Trading Vol.

Table of N.Y.S.E. All Common indices showing high and low values for various market segments.

Table of Montreal and Toronto indices showing high and low values for Industrial and Composite indices.

Table of Germany market data showing prices for various stocks like AEG, Siemens, and Volkswagen.

Table of Amsterdam market data showing prices for various stocks like Albedil, Agip, and Philips.

Table of Brussels/Luxembourg market data showing prices for various stocks like Albedil, Agip, and Philips.

STANDARD AND POORS

Table of Standard and Poors indices showing high and low values for various market segments.

Table of Canada market data showing prices for various stocks like Alcan, Inco, and Noranda.

Table of Australia market data showing prices for various stocks like BHP, Rio Tinto, and Westpac.

Table of Oslo market data showing prices for various stocks like Aker, Kvaerner, and Statoil.

OVERSEAS SHARE INFORMATION

Large table of Overseas Share Information listing various international stocks with columns for Stock, Price, and Change.

Table of Canada market data showing prices for various stocks like Alcan, Inco, and Noranda.

Table of Germany market data showing prices for various stocks like AEG, Siemens, and Volkswagen.

Table of Amsterdam market data showing prices for various stocks like Albedil, Agip, and Philips.

Table of Brussels/Luxembourg market data showing prices for various stocks like Albedil, Agip, and Philips.

Table of Tokyo market data showing prices for various stocks like AEG, Siemens, and Volkswagen.

Table of Australia market data showing prices for various stocks like BHP, Rio Tinto, and Westpac.

Table of Oslo market data showing prices for various stocks like Aker, Kvaerner, and Statoil.

Table of Tokyo market data showing prices for various stocks like AEG, Siemens, and Volkswagen.

Table of Australia market data showing prices for various stocks like BHP, Rio Tinto, and Westpac.

Table of Oslo market data showing prices for various stocks like Aker, Kvaerner, and Statoil.

Table of Brussels/Luxembourg market data showing prices for various stocks like Albedil, Agip, and Philips.

Table of Paris market data showing prices for various stocks like Albedil, Agip, and Philips.

Table of Switzerland market data showing prices for various stocks like AEG, Siemens, and Volkswagen.

Table of Milan market data showing prices for various stocks like AEG, Siemens, and Volkswagen.

Table of Vienna market data showing prices for various stocks like AEG, Siemens, and Volkswagen.

Table of Copenhagen market data showing prices for various stocks like AEG, Siemens, and Volkswagen.

Table of Stockholm market data showing prices for various stocks like AEG, Siemens, and Volkswagen.

Table of Madrid market data showing prices for various stocks like AEG, Siemens, and Volkswagen.

Table of Tokyo market data showing prices for various stocks like AEG, Siemens, and Volkswagen.

Table of Australia market data showing prices for various stocks like BHP, Rio Tinto, and Westpac.

Table of Oslo market data showing prices for various stocks like Aker, Kvaerner, and Statoil.

Table of Brussels/Luxembourg market data showing prices for various stocks like Albedil, Agip, and Philips.

Table of Paris market data showing prices for various stocks like Albedil, Agip, and Philips.

Table of Switzerland market data showing prices for various stocks like AEG, Siemens, and Volkswagen.

Table of Milan market data showing prices for various stocks like AEG, Siemens, and Volkswagen.

Table of Vienna market data showing prices for various stocks like AEG, Siemens, and Volkswagen.

Table of Copenhagen market data showing prices for various stocks like AEG, Siemens, and Volkswagen.

Table of Stockholm market data showing prices for various stocks like AEG, Siemens, and Volkswagen.

Table of Madrid market data showing prices for various stocks like AEG, Siemens, and Volkswagen.

Table of Forward Rates showing rates for various currencies and terms like 1 month, 3 months, and 6 months.

Table of Tokyo, Australia, and Oslo market data showing prices for various stocks and commodities.

Table of Brussels/Luxembourg market data showing prices for various stocks like Albedil, Agip, and Philips.

Table of Paris market data showing prices for various stocks like Albedil, Agip, and Philips.

Table of Switzerland market data showing prices for various stocks like AEG, Siemens, and Volkswagen.

Table of Milan market data showing prices for various stocks like AEG, Siemens, and Volkswagen.

Table of Vienna market data showing prices for various stocks like AEG, Siemens, and Volkswagen.

Table of Copenhagen market data showing prices for various stocks like AEG, Siemens, and Volkswagen.

Table of Stockholm market data showing prices for various stocks like AEG, Siemens, and Volkswagen.

Table of Madrid market data showing prices for various stocks like AEG, Siemens, and Volkswagen.

Table of London market data showing prices for various stocks like AEG, Siemens, and Volkswagen.

Table of Frankfurt market data showing prices for various stocks like AEG, Siemens, and Volkswagen.

Table of Zurich market data showing prices for various stocks like AEG, Siemens, and Volkswagen.

Industrial corre invest Rio de

Rio de Janeiro

The creation two years ago of the new State of Rio de Janeiro reduced the political status of the city of Rio, and also produced a lot of economic problems. But it still feels like a capital city and remains a cultural focus for the country.

Focus

Capital

White dependent

comes to capitals, the and their former rulers have shown fair. They have built the first the baroque ad of Bahia on a ked inside a fine bur, then Rio de in apparently impos- in a bay hemmed in like mountains, and with the expansion of astlia reaching into skies of the central steau.

years after the already being prepared for two pitched camp in de Janeiro is still many), the growth of tourism along the State's majestic coast- ways to the slave it the most typical highly promising offshore populations. It deposits in the northern waters of cultural focus by the Government of company will perhaps Petrobrás.

Capital of Brazil's.

most urban State, the biggest city after São Paulo and the country's second industrial centre. It has kept some of its federal trappings—headquarters of several big State organisations, the main stock market and a dominant financial role.

Rio city is the centre of tourism and communications, boasting a splendid, if long-deplored, new airport and was Air France's first Concorde destination. It also sports the world's biggest football stadium at Maracanã (capacity record 183,300).

The surrounding State, which until two years ago was run separately from the city, contains a small, sparse and declining rural population.

About two-thirds of its annual product of about 15 per cent of Brazil's—comes from the area of the State of Guanabara, which Rio moved its capital. Over 80 per cent of its population lives in the urban conglomeration around Rio itself.

The outlying areas are gaining in importance. However, the growth of tourism and exhibitionist experiments reaching into the central facilities, the construction of its first nuclear reactor for a site already being prepared for two pitched camp in de Janeiro is still many), the growth of tourism along the State's majestic coast- ways to the slave it the most typical highly promising offshore populations. It deposits in the northern waters of cultural focus by the Government of company will perhaps Petrobrás.

Capital of Brazil's.

Guanabara and Rio de Janeiro why for those who never see a leading Arena's minority in the local assembly, he is supposed to have told her that, as a schoolteacher, she would do better back at school. She is supposed to have replied that being an Admiral, would do better back on his ship.

A new urban plan has just been drawn up, the first for 12 years and the first to be done in the Tarsoo Indians, has since 1763 been the capital, in turn, of the Portuguese colony, of the U.K. of Portugal, Brazil and Algarve, of the Brazilian Empire and of the Republic.

Lost

Its last honour, that of being a city-state with no hinterland to worry about, was lost two years ago, when a new Governor, Admiral Floriano Peixoto, was appointed the up-state administration. Stripped of its own privileges bestowed by its own faces, like other Brazilian cities, all the problems of imminent urban collapse.

A good-humoured mayor, Sr. Marcos Tamyoy, was found to take over a newfangled and essentially powerless job with a staff that started at nil. The Movement, the official is that it ends a long record of weak administration in the former Rio de Janeiro State. Acting as the city's poor cousin, the State had all the space the city lacked but no capital. Industrial plans may now begin to succeed in reducing the influx

who had the unenviable job of being an Admiral, would do better back on his ship.

As things stand, the Admiral's successor will be the country's only opposition governor. Gubernatorial elections have already been cancelled in favour of selection by local assemblies, a move designed to stop the opposition taking several other States. Such things happen in Brazil. But in Rio no amount of gerrymandering will make for a pro-Government governor unless he is put there by the President himself.

Split

Fortunately for the Government, the opposition is just as divided as Arena, split between two factions, of equally conservative hue but with allegiances placed in each of the two former States. The party has yet to agree on the choice between Senator Roberto Saturnino and Deputy Erasmo Martins, and it is always possible the President will change the rules again before it does.

The merger's other advantage is that it ends a long record of weak administration in the former Rio de Janeiro State. Acting as the city's poor cousin, the State had all the space the city lacked but no capital. Industrial plans may now begin to succeed in reducing the influx

of people that is clogging Rio de Janeiro.

The city's population is increasing by 350,000 a year, including an estimated 130,000 who come in from outside. Forty-two per cent of the people who live there were not born there. People come in for jobs which are often underpaid; there is more underemployment than actual unemployment, as any visitor can see in the armies of men and boys trying to earn their living by "keeping an eye" on other people's cars.

The aspiring middle classes crowd into the southern part of the city facing the ocean. The further they go the worse the transport facilities become, and so instead of building outwards the builders build upwards. The number of storeys allowed in Copacabona has been steadily increased, from four to six, to eight, to 12 and now to 18, and apparently any number for hotels. The one-time resort lays claim to being the most crowded urban region outside the city. It holds 30,000 people per square kilometre, and if everyone went down into the street at once they would spill over on to the beach and into the sea.

The price of accommodation in residential districts, spurred on by indiscriminate speculation, has soared to the extent that the rent of a flat can easily cost ten times what most people earn. Avenida Vieira Couto, on the beachfront of Ipanema, is one of the most expensive streets in the world. Afro-Brazilian Macumbos of the arrivals' have to choose between the sprawling satellite towns to the north of the city, where most of the shanties (favelas), which are nearer where most of the people work. The Iorela population is around 1m. As in the suburbs, gangsterism is rampant. Rio's working-class dormitory districts are home ground for the so-called "Death Squad"—vigilante groups of off-duty policemen. The State authorities are having a big clean-up campaign in the police, but "executions" still go on. There have been at least 2,000 in recent years, adding to a murder rate that already rivals New York's.

While policing, social services, housing and other facilities are seriously deficient, large investments are made in grandiose projects, such as an eight-mile bridge which now links Rio with Niterói and an underground railway the first \$1bn. section of which is due for inauguration within two years. The usefulness of both in resolving transport congestion is a subject of active debate. A UN expert characterised Rio de Janeiro's style of urban planning as "flyovers and favelas".

The poor districts are the home of the "animal game"—an illegal but highly active lottery run by a small mafia of "bankers"; of football and carnival clubs (both backed by the gambling chiefs); and of the "samba" brand of the most expensive streets in the world. Afro-Brazilian Macumbos of the arrivals' have to choose between the sprawling satellite towns to the north of the city, where most of the shanties (favelas), which are nearer where most of the people work. The Iorela population is around 1m. As in the suburbs, gangsterism is rampant. Rio's working-class dormitory districts are home ground for the so-called "Death Squad"—vigilante groups of off-duty policemen. The State authorities are having a big clean-up campaign in the police, but "executions" still go on. There have been at least 2,000 in recent years, adding to a murder rate that already rivals New York's.

choose between the sprawling satellite towns to the north of the city, where most of the shanties (favelas), which are nearer where most of the people work. The Iorela population is around 1m. As in the suburbs, gangsterism is rampant. Rio's working-class dormitory districts are home ground for the so-called "Death Squad"—vigilante groups of off-duty policemen. The State authorities are having a big clean-up campaign in the police, but "executions" still go on. There have been at least 2,000 in recent years, adding to a murder rate that already rivals New York's.

While policing, social services, housing and other facilities are seriously deficient, large investments are made in grandiose projects, such as an eight-mile bridge which now links Rio with Niterói and an underground railway the first \$1bn. section of which is due for inauguration within two years. The usefulness of both in resolving transport congestion is a subject of active debate. A UN expert characterised Rio de Janeiro's style of urban planning as "flyovers and favelas".

The poor districts are the home of the "animal game"—an illegal but highly active lottery run by a small mafia of "bankers"; of football and carnival clubs (both backed by the gambling chiefs); and of the "samba" brand of the most expensive streets in the world. Afro-Brazilian Macumbos of the arrivals' have to choose between the sprawling satellite towns to the north of the city, where most of the shanties (favelas), which are nearer where most of the people work. The Iorela population is around 1m. As in the suburbs, gangsterism is rampant. Rio's working-class dormitory districts are home ground for the so-called "Death Squad"—vigilante groups of off-duty policemen. The State authorities are having a big clean-up campaign in the police, but "executions" still go on. There have been at least 2,000 in recent years, adding to a murder rate that already rivals New York's.

The poor districts are the home of the "animal game"—an illegal but highly active lottery run by a small mafia of "bankers"; of football and carnival clubs (both backed by the gambling chiefs); and of the "samba" brand of the most expensive streets in the world. Afro-Brazilian Macumbos of the arrivals' have to choose between the sprawling satellite towns to the north of the city, where most of the shanties (favelas), which are nearer where most of the people work. The Iorela population is around 1m. As in the suburbs, gangsterism is rampant. Rio's working-class dormitory districts are home ground for the so-called "Death Squad"—vigilante groups of off-duty policemen. The State authorities are having a big clean-up campaign in the police, but "executions" still go on. There have been at least 2,000 in recent years, adding to a murder rate that already rivals New York's.

The poor districts are the home of the "animal game"—an illegal but highly active lottery run by a small mafia of "bankers"; of football and carnival clubs (both backed by the gambling chiefs); and of the "samba" brand of the most expensive streets in the world. Afro-Brazilian Macumbos of the arrivals' have to choose between the sprawling satellite towns to the north of the city, where most of the shanties (favelas), which are nearer where most of the people work. The Iorela population is around 1m. As in the suburbs, gangsterism is rampant. Rio's working-class dormitory districts are home ground for the so-called "Death Squad"—vigilante groups of off-duty policemen. The State authorities are having a big clean-up campaign in the police, but "executions" still go on. There have been at least 2,000 in recent years, adding to a murder rate that already rivals New York's.

The poor districts are the home of the "animal game"—an illegal but highly active lottery run by a small mafia of "bankers"; of football and carnival clubs (both backed by the gambling chiefs); and of the "samba" brand of the most expensive streets in the world. Afro-Brazilian Macumbos of the arrivals' have to choose between the sprawling satellite towns to the north of the city, where most of the shanties (favelas), which are nearer where most of the people work. The Iorela population is around 1m. As in the suburbs, gangsterism is rampant. Rio's working-class dormitory districts are home ground for the so-called "Death Squad"—vigilante groups of off-duty policemen. The State authorities are having a big clean-up campaign in the police, but "executions" still go on. There have been at least 2,000 in recent years, adding to a murder rate that already rivals New York's.

BASIC STATISTICS

Area	16,720 sq. miles
Population (1973)	
Total	10.4m.
Metropolitan region	8.3m.
State capital	4.7m.
Annual per capita income	\$1,150
Economic growth (1976)	10.1%
Industrial growth (1976)	12.1%

country make Christianity run a poor second. The umbondo lobby, with apparently a growing following in the white middle class, now has seats in both the State assembly and the city council—in both representing the opposition.

Corrosion tend to show the same banterlog disrespect for the harder rigours of Catholicism as they do for the rigours of authoritarian government.

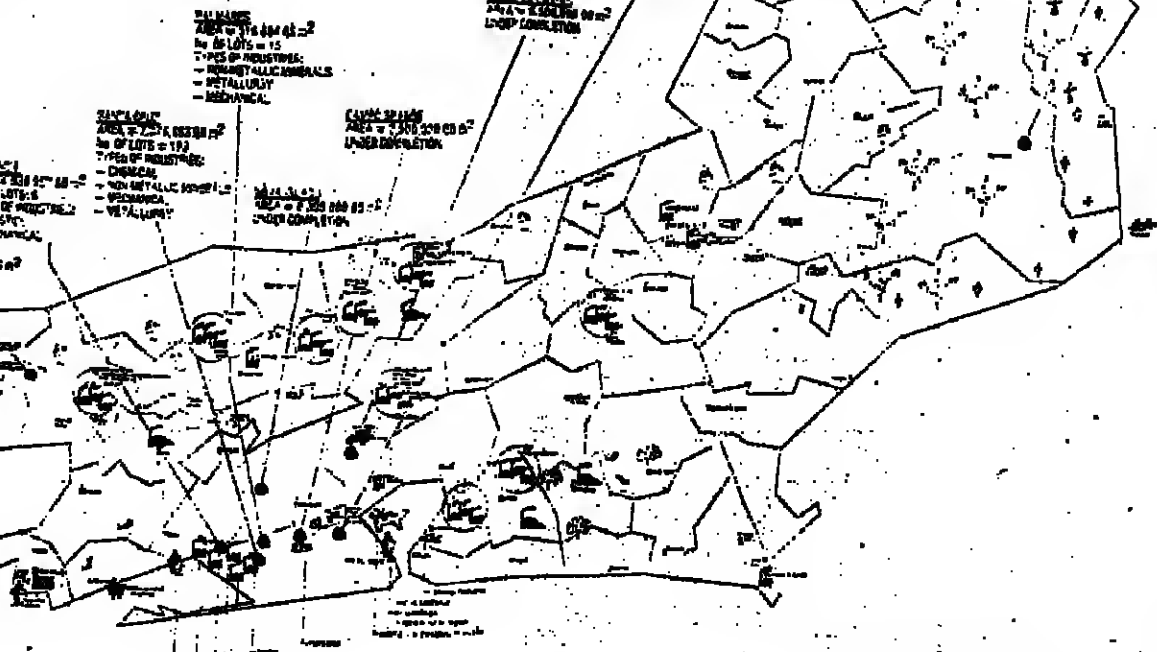
They are blessed, at least, with a sense of humour. I know of no place where it is less unpleasant to be in a football queue or a rush-hour bus. Manilla carnival clubs (both backed by the gambling chiefs); and of the "samba" brand of the most expensive streets in the world. Afro-Brazilian Macumbos of the arrivals' have to choose between the sprawling satellite towns to the north of the city, where most of the shanties (favelas), which are nearer where most of the people work. The Iorela population is around 1m. As in the suburbs, gangsterism is rampant. Rio's working-class dormitory districts are home ground for the so-called "Death Squad"—vigilante groups of off-duty policemen. The State authorities are having a big clean-up campaign in the police, but "executions" still go on. There have been at least 2,000 in recent years, adding to a murder rate that already rivals New York's.

Industrial Estates—The correct choice for new investments in Rio de Janeiro

renowned throughout the world for its natural beauty and friendly hospitality, the State of Rio de Janeiro may well be the best site for your new undertaking.

Through an extensive network of modern, easily accessible industrial estates—Fazenda Botafogo, Santa Cruz, Paciência, Palmares, Nova Iguaçu, Impo Grande, Resenda, Campos and Iguape de Caxias—the State of Rio offers foreign investors everything needed to succeed in any industrial undertaking—a plentiful supply of water and electric power, sanitation, modern tools, hospitals and housing, in addition to ample transportation facilities, skilled labour, extensive financing and complementary industries.

For complete information on this subject, please contact us, either directly or through your representative.



Secretaria de Estado de Indústria, Comércio e Turismo. Av. Presidente Vargas, 670—andar 18 Rio de Janeiro, RJ—Brasil

Do get in touch with us. It could mean good business for you.

Eurobraz

a bank of many nationalities, but British by birth and Brazilian at heart.

European Brazilian Bank opened in April 1972. Since then, we have managed or co-managed many loans and built up our own portfolio to \$400 million. Our total assets are now over \$500 million.

Our main objective of raising finance in European markets for Brazilian and other Latin American development projects is being successfully and efficiently accomplished.

So much so, that in order to facilitate the continued expansion of our business, the major international banks that own Eurobraz have recently increased the issued and fully paid capital to £11 million. There are also subordinated loans from shareholders of \$11.4 million.

Shareholders:—

- Banco do Brasil S.A.
- Bank of America Group
- The Dai-ichi Kangyo Bank, Limited
- Deutsche Bank A.G.
- Union Bank of Switzerland

Eurobraz Bank Limited

Bucklersbury House, 11 Walbrook, London, EC4N 8HP. Telephone: 01-236 1066. Telex: 887012/3. Representative Office in Brazil: Av. Rio Branco 115, 7º andar, Rio de Janeiro. Tel: 263-7937, 263-7997, 232-2740, Telex: 2122825.

RIO DE JANEIRO II

The industrial framework

BRAZIL'S INDUSTRIAL revolution is more associated with São Paulo than with Rio de Janeiro, and there is every chance that Rio State, a mere half of one per cent. of Brazil's territory, will soon be pushed back into third place by the growing engineering industry of its northern neighbour, Minas Gerais.

Even so, Rio de Janeiro has garnered for itself a handful of the federal Government's most cherished projects, including all the early stages of its \$10bn. nuclear programme, set to retain its role as steel-making centre, and is becoming as aggressive as either of its powerful neighbours in trying to lure new employers.

It needs them. Jobs or no jobs, the State's rural population is declining and the urban population growing out of space. The increase is wide: its share of national production plummeted in the post-war

period. The badly run State it is being built but is subject to some delay because of the economic slowdown and Government spending curbs. The second plant of Companhia Siderúrgica Nacional, the State-owned supplier of steel plate, is planned on appropriated land at Itaguaí on the same part of the coast, but has not yet been started; it is a long-term, 20-year venture, due to produce 10m. tonnes a year, roughly equivalent to Brazil's total current output.

Delay
A half-dozen major projects are now gestating, all of them depending directly on the federal Government in Brasília. The only private-sector venture among them, a Michelin tyre plant in the up-state region of Resende, expected to employ 8,800 and valued at \$160m. when the project was brought up two years ago, is still waiting on federal Government approval. A new port at Sepetiba, down the coast from Rio de Janeiro,

is looking desperately for some one else.

Petrobrás, the State oil company, has two big projects—an ammonia and urea plant in the north of the State and a tanker terminal at Angra dos Reis in the south—as well as its prime offshore drilling operations, off Campos.

Finally, the Nuclebrás nuclear authority is basing its components and reactor industries in the State. The first Brazilian reactor, bought from Westinghouse and to be fuelled by the U.S., is nearly ready to a little bay near Angra dos Reis. Two West German reactors have lots marked out for them on the same site, the first of eight in a deal which, because of its "sensitive" aspects, is opposed by the U.S. and which in consequence is subject to uncertainties.

In the competition for smaller, private sector investment, Rio has secured rather more than its share. Last year it received 22 per cent. of all projects approved by the Industrial Development Council. The industrial estates, recently increased in number from five to seven, are almost all full, with the exception of Campos in the sugar-cane belt.

The industrial estates authority, Codin, has some \$100m. earmarked for basic infrastructure up to 1979, by which it hopes to have created 43,000 direct and a further 29,000 indirect jobs, mainly in engineering, metals and chemicals.

For each Government cruzeiro spent on the new factory areas, the State hopes to get nearly four cruzeiros from private investors.

Under Brazilian law, the State itself is allowed to offer fiscal benefits, which are only available in priority activities and in other, less privileged regions, but there is a hefty incentive in subsidised land.

Sheer lack of space in a city,



where mountains and sea towers, stand gaunt and unoccupied most of the free lots. Speculation is rampant in all kinds of property—industrial, commercial and residential. Higher Brazilian inflation rates in recent years have added an extra illusion of big earnings to those who invest or gamble in real estate.

In Barra da Tijuca, a coastal plain south of Rio where Sr. Lúcio Costa, designer of Brasília, is supervising a huge new appellation to the city, intended eventually to house some 25m. people, land prices increased by 7,200 per cent. in the space of six years. In built-up regions, land costs, inflated to levels nobody in the business pretends are anything near realistic, take up a third of the total cost of any new building. Office space in Rio is almost twice as expensive as in São Paulo.

However, the brakes that have been put on economic activity in Brazil in the last 18 months, so have had their effect in the property market. Construction of fast-in blocks with fancy entrances, heralded by extravagant advertising campaigns, continues at a frantic rate.

But buyers' interest, not shown signs of cooling off, especially in commercial property. The first three round towers of the Barra da Tijuca development, in which Sr. Costa first envisaged three dozen such

holder step into the market a \$20m. programme for blocks in the Flamengo Botafogo districts, which now receiving the over-crowded centre of the State building has all been completed and occupies a rent basis, practice of letting, rather selling, whole floors of a novelty in Brazil, but formula likely to suit the big international companies which have operations there.

The company's second project is under construction, a joint venture with Shell, will use it as its new quarters. Both buildings so far gone to schedule.

Other foreign groups come, looked and been in. There are probably open foreign expertise in special ventures such as shopping centres, which have in cases been total flops, but investors are put among other factors, the with which the local authorities like to change their regulations governing numbers of stores in Cabana, for instance, are bent so often that it regarded as a joke. Most of the last few of the houses along that famous front are disappearing.

David V

Partnership

The absence of long-term institutional investors such as pension funds and insurance companies provides a gap in the Brazilian property scene, where it is reckoned that up to now investors could count on yields of 12 to 15 per cent. a year in real terms, way above European rates.

Hambros has gone into partnership with a Brazilian group, Sisal, with shareholdings in ventures such as Copacabana's new Méridien hotel, just about the most expensive place in town. Mackenzie Hill has taken a

Struggle

equipment. In the third in which \$3bn. will be by 1981, the U.S. share is to 20 per cent. or less. Manufacturers will lead. They will be followed by Japanese, which again more general trend—away from the old, U.S. dominance in the economy.

Although Volta Redonda has lost its former pre-eminence, it is still playing a role in Brazil's difficult present, self-sufficient towards, it ranks second Brazil's mills in terms of output. It produced 1.7m. steel in 1976, compared 2.3m. tons at the Usiminas to the State of Minas Gerais. If it had kept to its 1970 output, it would have topped the list, with 2.5m. tons. However, like the third Cosipa, Volta Redonda lagged well behind it in the polemic caused by delays, a variety of from administrative, but also have been significant.

Volta Redonda's symbolic role

ALL COUNTRIES in the world have special locations that have gained a symbolic significance in the national consciousness. Hastings and Dunkirk can ever simply be the names of ports for the British.

For the Brazilians, Volta Redonda is such a landmark. It symbolises an important phase in the Brazilian struggle towards economic independence and national development. For it was here, in the early 1940s, that Brazil built its first large, integrated steel mill.

For years, leading politicians had stressed the pressing need for Brazil to set up its own steel industry as a basis for self-sustained economic development. In 1931, at the beginning of his long term of office, President Getúlio Vargas, the country's leading populist politician, stated: "The basic problem of our economy is steel. For Brazil, the coming of the 'iron age' will mean the beginning of economic splendour."

Complex
However, the "coming of the new age" was a complex, circuit-ridden process. Throughout the 1930s, both Germany and the United States showed interest in the possibility of helping to develop Brazil's steel sector. Two groups emerged. One, which was particularly strong among the armed forces, was nationalistic. It favoured the setting up of a State-owned steel sector by means of a deal with Germany by which iron ore would be exchanged for equipment and know-how, along with assistance in the modernisation of the railway network that was to be linked to the steel mill.

The second group, which was mainly led by Brazilian diplomats, was afraid of the consequences of German economic and political penetration, given the confused world political situation. This group was in favour of a joint project with the United States in which private American companies would participate. The discussions dragged on with several projects falling through at the last moment. Finally, in 1940, President Vargas carried out a clever political manoeuvre. He told the U.S. that he considered the steel project to be a fundamental test for the U.S. "good neighbour" policy. He is also believed to have made it clear that U.S. collaboration on this issue would have an important influence on Brazilian political and military policy, particularly if it became necessary to decide, in the case of U.S. involvement in the Second World War, whether or not permission should be granted for American troops to be based at strategic points along the Brazilian coastline. At the same time, Vargas invited the Germans also to make an offer.

The gamble worked. In September, 1940, the Export-Import Bank granted a \$20m. loan for Brazil's steel sector. In 1941, work on the Volta Redonda mill began. With great pomp and ceremony, the blast furnaces were lit for the first time in June, 1946.

To-day, Volta Redonda is one of three large State-owned mills, which together account for two-thirds of Brazil's steel output. In the case of each of the mills, the Government only ended up controlling the project after it had considered, or even experimented with, a project in the hands of national private enterprise. On all occasions, it became abundantly clear that private Brazilian companies did not have the resources for the heavy outlay required. In the steel sector, as in other areas of the economy, State influence has grown rapidly, although paradoxically the Government has only assumed the new responsibilities with great reluctance.

Although a symbol of national economic independence, the Volta Redonda mill was totally equipped in the 1940s with imported U.S. machinery. At that time, it was a great advance for Brazil to be planning the production of a basic industrial input such as steel within the country.

To-day, the scenario has changed. Although Brazil is still importing about a fifth of its steel consumption needs, its quest for economic independence has spread to other fields. Brazil is at present engaged on what some call the "second phase of import substitution," namely, the development of its capital goods industry. To-day Brazilian machinery manufacturers are rapidly expanding their productive capacity with numerous Government incentives. This change is reflected in Volta Redonda. In the second stage of the mill's expansion plan, which is nearing completion, 70 per cent. of the

PREDIUM

PROPERTY CONSULTANTS AND DEVELOPERS

JOHN VELASCO-DE ARMAS

Principal

RUA MELVIN JONES 35-S/1005 RIO DE JANEIRO, RJ

Tel: 221-1448

Telex: 212 3323 FPGN

Besides yelling screaming and shoving lots has happened over these last 100 years of stock-exchange quotation transactions.

This year the Rio de Janeiro Stock Exchange is celebrating 100 years of stock exchange quotation activities.

For the operators, these 100 years have voiced yells to the bearer shares, preferred screams, nominal shoves.

For the investors, the Stock Exchange's history has shown that these 100 years have delivered sure and guaranteed profit.

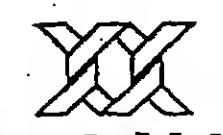
And for the Rio de Janeiro Stock Exchange itself, these 100 years are revealing of great victories.

For instance: The BVRJ (Rio de Janeiro Stock Exchange) has, today, 60% of the national volume of negotiations, auctioning stocks of the country's most important companies.

It is the Stock Exchange which is deserving of the most expressive international effectiveness, having earned its place as a member of both the FIBV — International Federation of Stock Exchanges and the Spanish-American Stock Exchange Federation.

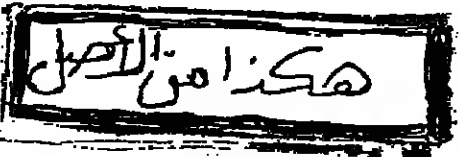
And this is not all. The BVRJ is the Stock Exchange which offers investors and brokers the most services, such as for example, custody, ANA and it is also the one which is equipped with the largest number of Video Terminals. These are 170 sets, leased throughout the country.

All this has been achieved from the most serious and consistent work performed over these 100 years of vociferation.



Bolsa de Valores do Rio de Janeiro
100 years of Stock Exchange Quotation Transactions.

Handwritten signature or mark at the bottom of the page.



The stock market



AT foreigners are per- trade in Brazilian kets, the latter's per- and development are to the outside world. meiro boasts Brazil's nd oldest exchange, is year celebrates a trading but which, 12 other exchanges. Foreign investors to understanding of market developments ying to cash in an eat potential.

elopment of the stock part of a broader equip Brazil with a financial system. steel mills and high- the symbols of pro-

gress, the success of growth plans depends on the development of economic, political and social institutions capable of mobilising productive resources.

To meet the capital needs of growth, the military government which seized power in 1964 undertook the job of overhauling Brazil's antiquated financial system and in the years since the 1965 Capital Markets Law was passed, it has helped create sophisticated and modern financial institutions. However, the job is not yet complete and there are still growing pains.

The capital market where companies can raise risk capital and investors can buy and

sell shares is a particularly weak part of the financial system and that has important implications for economic development as a whole.

The shortage of risk capital hinders private investment because companies are forced to borrow with rigid repayment schedules when seeking to undertake new ventures. Moreover, the cost of private financing is between 50 and 60 per cent a year, and though government financing at lower rates is often available, it brings with it red tape and spreading State control.

Private companies are, therefore, at a serious disadvantage when competing with trans-nationals and State-owned com-

pany. combined assets of PIS and FASEP grew from Cr\$558m. in 1971 to Cr\$58.3bn. in 1976. Now a Bill to regulate closed pension funds is before Congress. This will create yet another institutional investor.

In an attempt to divert capital to the stock market, the Government made shares a relatively more attractive investment by diminishing many of the incentives given to other forms of saving and raising the level of income tax deductions available to stock investors.

The under-developed nature of brokerage houses and their sometimes irregular behaviour hinders the growth of the market. At the same time companies often pay little attention to their minority shareholders' interests, thus driving away potential investors.

Few brokerage houses have the technical back-up to analyse companies and market trends in depth and even their advice is sometimes suspect. Many are thought to encourage speculation just to gain commissions.

Investors' confidence was restored in late 1973 and early 1974 when a money market crisis revealed that many brokerage houses were very vulnerable with highly geared portfolios containing government paper worth 30 and 50 per cent of their own capital. Only government intervention saved several from bankruptcy and the confusion scared off customers.

Companies' behaviour has not encouraged investors to risk their capital in the stock market. In general, companies are caught in a vicious circle—the capital market is not an important source of funds so they

pay little attention to minority shareholders' interests or to power in the hands of a few people," he says. This not only discouraging potential investors, destabilises the market because companies have been cavalier with dividend payments and with dividend payments and sell decision will coincide controlling interests have organised sales or mergers without regard to the shares' market value.

To develop the market the Geisel government introduced a new corporation law and set up the Comissão de Valores Mobiliários (CVM), Brazil's equivalent of the U.S. Security Exchange Commission. It has also put pressure on market intermediaries through a series of regulations to avail themselves of technical backup.

In part the aim of the corporation law is to see that companies are more truthful in their reporting, follow more attractive dividend policies and pay greater respect to their minority shareholders. The CVM will see that the law is obeyed and police the activities of brokers and other market institutions.

Geisel's policy has quickened the development of institutional investors. The speculator who once dominated trade, especially in Rio, is giving way to insurance companies and the even more important, fiscal funds.

The fiscal funds handle the special income tax rebates in which all individual tax payers have a right if they do not rest in the stock market. In 1977 these funds will invest approximately Cr\$3bn. and insurance companies Cr\$1bn.

Rio exchange chairman, Sr. Liberal said, "The market is dominated by institutional investors." Sr. Justin Krauspenhar, head of the Bank of Boston's investment analysis department, Boston, views the trend in a positive light because the institutions have the resources to support better market years less than \$50m. has been analysed and therefore bring a greater level of sophistication to buy and sell decisions.

Liberal complains, however, that the growth of the institutional investor concentrates abroad on the complexity of the market power. "We now have

Rapid expansion in shipbuilding

Partnership

Redolent

OF SAO PAULO'S to several factors the high cost of imported components, the injected life of the high cost of money in Brazil economy by the car and the high cost of equipment.

The Government is strongly encouraging the setting up of a marine equipment industry in Rio. Several new companies, most of them subsidiaries of multinational or joint ventures with Brazilian companies, have settled in Rio. The proportion of parts produced in Brazil is rising quickly, although there have been teething problems with delays in delivery dates. This in turn has meant that some yards, have been unable to honour their delivery dates for a long time. Most of the yards are swelling Brazil's shipbuilding and by the end of the year will be producing 1.3m. dwt ships.

The main customers for the ships have been State-owned companies. Brazil's two biggest shipbuilders are Petrobras, the giant oil company, and Docena, the shipping subsidiary of the huge mining company, Companhia Vale do Rio Doce. Brazil, as a leading importer of Middle East oil and an important exporter of iron ore to Japan, is ideally suited for combination carrier operations. And, for the last few years, these two companies have been working a pooling system with iron/ore vessels.

or is indeed passing period of rapid growth together vessels have been yards, have been unable to and their scope live honour their delivery dates for a long time. Most of the yards are swelling Brazil's shipbuilding and by the end of the year will be producing 1.3m. dwt ships.

The main customers for the ships have been State-owned companies. Brazil's two biggest shipbuilders are Petrobras, the giant oil company, and Docena, the shipping subsidiary of the huge mining company, Companhia Vale do Rio Doce. Brazil, as a leading importer of Middle East oil and an important exporter of iron ore to Japan, is ideally suited for combination carrier operations. And, for the last few years, these two companies have been working a pooling system with iron/ore vessels.

Monopoly Petrobras has a virtual monopoly over oil transport, mainly because private owners have shown little inclination to enter this field. Brazil's largest shipyard, Ishibrás, which is the subsidiary of the Japanese company, Ishikawajima, is building four supertankers for Petrobras. Each of these will have a capacity of 277,000 dwt and will be twice as big as the largest tanker previously to have been built in the southern hemisphere. However, given the present situation of world over-supply of supertankers, Ishibrás is not expecting any European rather more orders of this kind for the long time ahead.

Indeed, both shipowners and shipbuilders are apprehensive about the future. Two years ago, Sunamam gave the owners permission to move into the dry

bulk trade. The fact that the owners needed authorisation—something that would startle their counterparts in other countries—is in itself an indication of both the degree of Government interference in the sector and the centralised, planned form of development.

Much of the recent expansion has gone into the bulk sector. Previously, the owners had operated exclusively in the much less competitive world of general cargo. Sr. Paulo Ferraz, president of one of Rio's loading yards, Mauá, explained, "Whether you like it or not, general cargo is a cartel. Only registered companies can operate and they all charge the same freight. But, bulk is different. The shipowner has to fight for his cargo, without any guarantee." The Brazilians, with new vessels that they are still paying for, will be competing in this field with established owners, like the Greeks, who have fully amortised vessels and know all the tricks of the trade. It is easy to understand why the Brazilians are a little uneasy.

In their turn, the builders are worried about their future once the comfortable umbrella held out by Sunamam is taken away. At present, builders export less than a third of their production. They calculate that this will have to increase to at least a half by 1980 if serious problems of idle capacity are to be avoided.

Sr. Paulo Ferraz has warned: "The hour of reckoning is approaching. We shall see which builders have the market and the aggressiveness and the industrial efficiency to survive in the difficult phase that is inevitably coming. There will be serious problems of idle capacity in the industry."

Some builders believe that the only answer is specialisation. They feel that the era of mass production is over and that they will only survive if they provide high quality, specialised craft. Many are signing technical assistance contracts with foreign builders. Whether or not they will be able to weather the storm in this way only the future will show.

Insurance companies have been among the strongest partners in the Brazilian economy. The fact that the owners had operated exclusively in the much less competitive world of general cargo. Sr. Paulo Ferraz, president of one of Rio's loading yards, Mauá, explained, "Whether you like it or not, general cargo is a cartel. Only registered companies can operate and they all charge the same freight. But, bulk is different. The shipowner has to fight for his cargo, without any guarantee." The Brazilians, with new vessels that they are still paying for, will be competing in this field with established owners, like the Greeks, who have fully amortised vessels and know all the tricks of the trade. It is easy to understand why the Brazilians are a little uneasy.

In their turn, the builders are worried about their future once the comfortable umbrella held out by Sunamam is taken away. At present, builders export less than a third of their production. They calculate that this will have to increase to at least a half by 1980 if serious problems of idle capacity are to be avoided.

Sr. Paulo Ferraz has warned: "The hour of reckoning is approaching. We shall see which builders have the market and the aggressiveness and the industrial efficiency to survive in the difficult phase that is inevitably coming. There will be serious problems of idle capacity in the industry."

Some builders believe that the only answer is specialisation. They feel that the era of mass production is over and that they will only survive if they provide high quality, specialised craft. Many are signing technical assistance contracts with foreign builders. Whether or not they will be able to weather the storm in this way only the future will show.

IN BRAZIL:

- Fixed Asset Financing
- Working Capital Financing
- Repass of Foreign Funds
- Repass of Government Financing Programs
- Open Market
- Underwriting of Shares and Debentures
- Certificates of Deposit
- Portfolio Management
- Leasing
- Insurance Management
- Pension Funds

BANCO BRASCAN DE INVESTIMENTO S.A.

BUSINESS WITH THE BOOMING BRAZILIAN MARKET?

REMEMBER THIS NAME

banespa

It means the most important bank in São Paulo, the major coffee exporter in the world and the largest industrial centre in Latin America.

Brazil is big and it's booming. Today, it has one of the fastest-growing economies in the world. Tomorrow, it will be one of the world's leading economic powers. The business opportunities are immense. We can help you take advantage of them.

Banco do Estado de São Paulo S.A. -banespa- is able to help your business development with Brazil. The opportunities are enormous and you can take advantage of them.

We always have something else to offer. The only thing we lack is not having you as one of our new customers.

Try a new way - consult us.

For further information, please get in touch with our London Branch, at Plantation House, telephone 01-623-2291.

Overseas Branches: Asunción—(Opens tomorrow) Tokyo, New York, Los Angeles, Frankfurt, Cayman. Over 300 branches covering the whole of Brazil.

banespa

Banco do Estado de São Paulo SA
PLANTATION HOUSE, 31-35 FENCHURCH STREET, LONDON EC3M 3NA

Sue Branford

RIO DE JANEIRO IV

Tourist attractions

THE FIGURE of Christ on the crooked rock of Corcovado is a favourite subject of Rio humourists. During a bigger-than-usual spell of violence he is pictured with his hands above his head, during a shindig for U.S. travel agents with an empty hat in one outstretched hand, during a property boom re-designed for conversion into a block of flats. But the *corcovado* worship their city, and there is probably nothing short of nuclear attack that will stop Brazilians and foreigners from going there.

Nevertheless, despite Rio's unrivalled geographical attributes, neither the city, the surrounding country nor Brazil as a whole has come close to realising its potential. The main point of access to Brazil, for many the point of access to South America, and the main focus of both local and foreign travellers in Brazil, Rio has the scope to attract many more people than it does—now some where short of 1m. visitors a year—and to keep them longer.

Nearby regions such as the mountainous forests of the Serra dos Orgaos and the strings of beaches north and south of the city are only beginning to be considered seriously in terms of international tourism.

It is still unusual for a first-time visitor to make it to places like Parati, a colonial gold-mining port on a bay of small tropical islands, to the relief of those of us who admire such places and to the profit of those who operate Rio's substandard 30-storey hotels.

Organised

Tourism revolves around organised, which takes over the city on the four days before Ash Wednesday, when all rooms are booked. Local people dislike the way organised is run these days, think it too organised and unspontaneous, and there are signs that, with permanent stands being built for the parades, it will become more so. The importance of the occasion as an advertising campaign for Brazil in the world outside, means that Brazil's answer to the Folies Bergere will continue to be promoted in the same fashion. The parades and balls are indeed spectacular, few outsiders are disappointed, and the Prefecture loses a third of the \$5m. it spends on the occasion.

The bulk of visitors come around this time, the high summer of December to March, and the volume thins out over the rest of the year despite the evenness of the climate. Unfortunately, up-to-date figures for tourists are "still in the computer," but the Prefecture reckons that last year's inflow was 15 per cent. up on 1975's total of 575,000, and hopes its

new programmes will lead to annual increases of 30 per cent. It is currently engaged in an inventory of Rio's attractions and facilities, wooing travel agents at great expense (a conference of the American Society of Travel Agents in 1975 cost the Brazilians \$1.5m. and the volume of U.S. tourists has since been going down), and promoting sports and cultural projects. A marina is being planned, a motor-racing track has just been completed, and the programme of "events" is being stepped up to two a month.

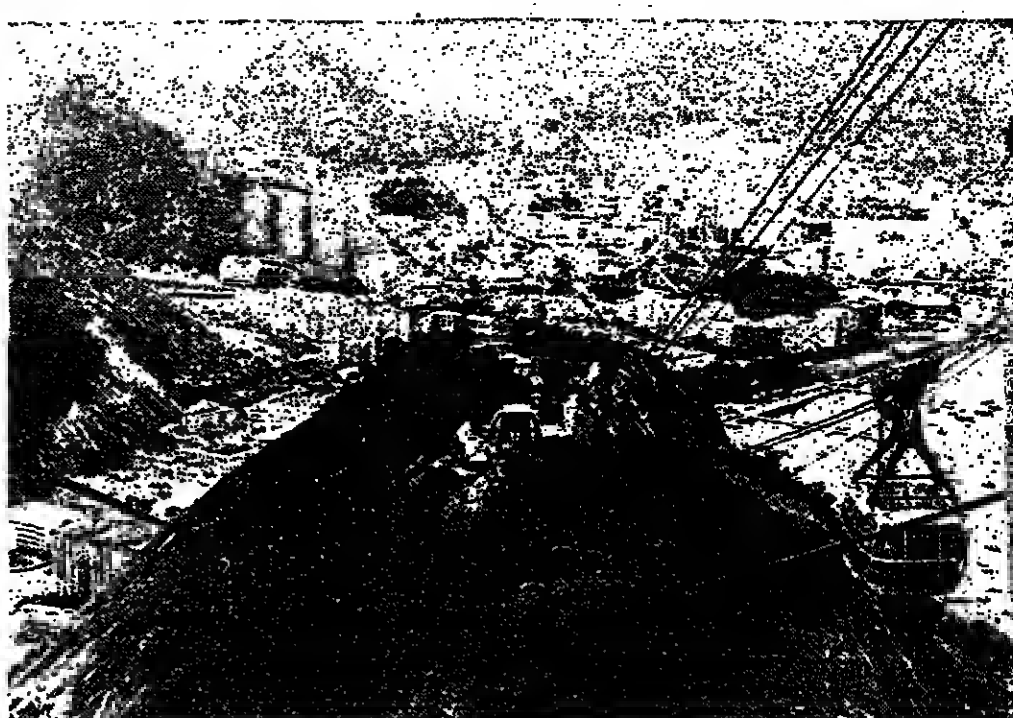
On the arts side, a Black Rio festival has been organised this year to bring out the strong negro cultural element, a regular series of international concerts started, classical music planned in the baroque churches, and a sort of *soirée lumineuse* scheme devised under the arches which used to carry water down into the imperial city, and now carry a quaint tramline.

Riotur, the people responsible for the control, are building a \$30m. convention centre south of the city, designed to replace the current overcrowded exhibition facilities at São Cristóvão, and, they hope, to rival São Paulo's Anhembi Park. Its 500,000 square feet constructed area is due to be baptised in time for a conference in October.

The problem is getting the private sector, to which the tourist trade traditionally belongs, to respond. Rio lacks



Above: Copacabana beach. Below: A view of Rio from Sugar Loaf mountain.



Challenge

But Rio and the country beyond it are still a challenge for the individual intrepid traveller. He will have little guidance in his own language (except on the vertiginous cable car to the Sugar Loaf, where "the company reserves the right to stop earlier when unfavourable conditions of operation"), have trouble getting through airport formalities and be charged any amount for "special" taxi trips. The authorities, feeling powerless to do anything about the latter, have instead hit on a scheme to offer taxi drivers courses in subjects such as German, baroque architecture and psychology.

D.W.

THE REAL ESTATE MARKET IN BRAZIL

The investment opportunities in Brazilian Real Estate have been some of the best in terms of return on equity. The average return on equity for this kind of investment has been 22% a year, in constant (deflated) terms.

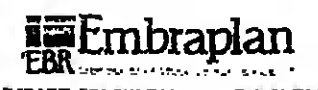
The reason for this has been the scarcity of land in the metropolitan areas, the rapid increase of a young population, the increase of the gross national product in the last ten years and the migration of the population from rural areas to the big cities.

These facts have contributed strongly to the establishment of a privileged market for new residential and commercial units.

This analysis is based on our experience of more than 15 years of intensive operation in the Brazilian Real Estate market. Embraplan is made up of a highly trained staff of economists, architects, engineers, lawyers and project managers, with backgrounds reflecting experience obtained in more than 250 developments of different characteristics, including residential and commercial buildings, shopping centres, hotels, and resort developments.

Embraplan has developed, in the past two years, real estate projects with a sales value of almost US\$ 100,000,000.00. The success of these projects can be measured by a sales index of 90.2% on the units offered.

Embraplan was founded to serve any person or company wishing to invest in the Brazilian Real Estate market, doing any kind of work, as far as consulting and planning is concerned, from the purchase of the land, to the architectural plans, mortgages, marketing and sales.



ADDRESS: Av. Almirante Barroso, 63 - andar 6, Rio de Janeiro - Brazil. Tel.: (021) 252-6073

The poverty trap

ABOUT A million people in Rio de Janeiro live in slums. The population of the favelas, a fifth of the city's inhabitants, is growing steadily. New favelas spring up on hillsides, waste ground or at the edge of the bay faster than old ones disappear. Two, Rocinha and Jacarezinho, have grown to around 100,000 inhabitants.

Independent zones within the city, the bigger favelas are quite firmly established townships. They often have a nucleus of brick buildings, shops, quack doctors' "clinics" and pedlars whose trade is reselling electricity. Dwellings are sold or rented with price scales usually determined by how close they are to the waterpipe.

The typical home of the favelado is a squat structure made of wood from packing cases and pieces of tin, with a zinc roof weighted down by stones to stop it blowing away. Wooden slats are placed on the floor to avoid the mud when it rains and sometimes to serve as a bed. Shacks are built almost on top of each other, and the small gaps in between used to deposit kitchen waste. Water is a constant problem, often involving a long trek down the hillside and back up again with a full can. In the summer rains, people live in fear of mudslides.

Rio's slums are not a 19th century leftover but a product of industrialisation, which has taken place mostly in the last 45 years, and of the accompanying decline of the countryside. The word favela was not used until the turn of the century, when it was applied to a group of buildings constructed as an emergency housing scheme in a spot called Providence Hill. The hills were put up to bitter soldiers who had put down a revolt in Bahia in 1897, a campaign in which a certain Favela Hill became famous—favela being a tree of the Bahia outback.



A typical slum settlement on the outskirts of Rio.

When the soldiers were posted to barracks elsewhere, the dwellings were sold or rented to poor people. That was the first favela. At the latest count of the State Secretariat for Security, there are now 273 of them. The proportion of the total population living in these conditions has increased from 7.5 per cent. in 1960 to 20 per cent.

Removed

Some of the slums in residential areas have been removed. A state housing authority, Cehab, builds inexpensive accommodation in outlying districts, but as there is usually no work to be had in these districts many people find their way back to new slums. When a company moves, São João was evacuated earlier this year because of the 10,000-ton rock which threatened to fall on to it, many of the uprooted people simply started again in the same conditions elsewhere, minus the home they had worked for.

Realising the pointlessness of building new homes where people did not want to live, the authorities set up a company dedicated, instead, to improving conditions within existing areas, putting in drainage, water and electricity. The Community Development Company (Codescot), which carried out this scheme successfully in a couple of small slums, vanished into thin air two years ago with the extinction of Guanabara State.

The municipal authorities are now campaigning afresh for a housing and welfare organisation which they at present do

not have. The housing problem is left in the hands of the state of Rio de Janeiro administration and a benevolent institution, the Leo XIII Foundation.

The favelados come mostly from the outlying towns of the State, where the population is declining. From São Paulo, Minas Gerais and north-east Brazil, New arrivals have the choice of that or the sprawling northern suburbs, where conditions are better but which are usually hours away from the nearest work. "Suburbs" is perhaps an understatement. Nova Iguaçu, with over 1m. inhabitants, overrun with violence and the scene of many "Death Squad" murders, counts as the seventh city of Brazil—but is simply a dormitory for people who trek to work in Rio.

The growth of these outlying areas clogs the city's transport system, and transport problems are probably the most important factor which keeps the favelas in business. "Nobody," as the city's Planning Secretary said, "is going to live in a favela for kicks."

People living in the suburbs often have to get up at 4 a.m. to spend two or three hours getting in a job which does not pay them enough to be able to afford the extra exorbitant needed for a coach rather than the train. In the stations, platform, putting in existing forms are packed by five. Until recently, travel into town was so bad that the normally limping suffering passengers started sacking trains and stations, infuriated by long delays which in many cases ended up in lost jobs. People packing into carriages would have to fight to keep hold of their lunch canisters in the crush.

The risk of a major flare-up prompted the federal government to flush out the railway

Grandiose

Colonel Weber aims to increase rail's share of mass transport to 52 per cent in 1990 from the present 17 per cent. But the much-needed suburban trains are taking second place to a grandiose underground railway scheme, with a first 11 miles of priority line due to start operating in 1979, at a cost of about \$1bn.

The Metro, which has already taken nine years since a detailed project was drawn up and 40 years since it was first proposed by the then Canadian-owned tram company, is criticised on two fronts—first because of the blockages created by the cut-and-cover construction work and second because it is seen as "a lot of money for little result." Even when full, experts estimate that the Metro, built with French assistance, will carry only 8 per cent. of passenger traffic.

More transport problems loom with new city developments and the difficulty in co-ordinating policy between the federal Government, which runs the trains, the State, which runs the underground project, and the Prefecture, which runs Rio's 6,000 buses.

The contrast between the oppressive and the inadequate urban facilities, Rio has not had since improved. With new Japanese carriages the daily scene of people clinging on to the sides and roofs of speeding trains is starting to disappear, but the service is still inadequate.

There are regular long queues at health offices and disaffection among young doctors, who, the Prefecture pays \$1,700 a month. The municipal Secretary of Health was unable to supply information about infant mortality, which three years ago was showing signs of increase. Rio has probably the country's best schooling record, with 50 per cent. of children enrolled—in Copacabana the rate is high as 94.8 per cent. teachers are qualified, although at the primary level they are only £18 a week when they start, rising to a princely £20 after 20 years' experience. Authorities claim that they alone, in enforcing the law which makes schooling compulsory for children between 6 and 14.

At a recent census, however, 67,536 children in this bracket were found to be of school-age, a third of these because there was no room for them, the others because mental or physical handicaps because their parents, against it, because they had money, because they lived far from school, or because had to work.

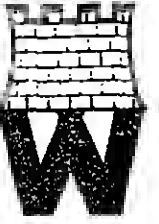
As a leading brazilian insurer, we are both investors in, and an insurer of industry.

This gives us an inside view of your problems.



Companhia Internacional de Seguros

In association with Royal Insurance



WESTMINSTER PROPERTIES DO BRASIL LTDA.

INTERNATIONAL REAL ESTATE AGENTS

Brazil is becoming the attractive investment ground for many companies, including Westminster Properties' new shareholders. Brazilian Equity Holdings S.A., a Luxembourg investment company which now owns one-third of Westminster's capital. BRAZEQ'S shareholders comprise a number of major British institutions, including The Vickers da Costa Group, The Foreign & Colonial Group, The Murray Johnstone Group and Scottish United Investors Limited.

If you are in property investment and development—isn't it time you considered Brazil?

Send for brochure.

Postal address: Westminster Properties do Brasil Ltda., Caixa Postal 5063-ZC-87, Rio de Janeiro 20.000, Brazil.	Head Office: Rua Joaquim Nabuco 194/201, Ipanema, Rio de Janeiro 20.000, Brazil. Tel: 267-1105 287-9675 Telex: 2121519	London Representative Office: Brazil Property Investments Ltd., 17b Curzon Street, London W1Y 7PF. Tel: 01-493 7435 01-493 0531 Telex: 25892
---	---	--

Handwritten signature or stamp at the bottom of the page.

RAW MATERIALS

Price rise coffee

Commodities Staff
COFFEE rose sharply on terminal market response to reports...

Silklin predicts end to U.K. food price spiral

BY JOHN EDWARDS, COMMODITIES EDITOR

GOOD CROPS at home and abroad this year should bring an end to spiralling food prices in Britain...

housewife in the form of more stable, and to some cases lower, food prices. It is feared British farmers may be tempted to hold...

New bid to end copper strike

By Our Commodities Staff

THE U.S. copper producer, General Motors, confirmed yesterday that it had reached agreement on a new labour contract...

WASTE IN THE FOOD CYCLE

Our dustbins runneth over

BY CHRISTOPHER PARKES

A PEEK into the domestic dustbins is enough to convince anyone that every day cooking and eating involve an enormous amount of waste...

Japan demands sugar price cut

BY OUR OWN CORRESPONDENT

JAPANESE SUGAR refiners have rejected an ultimatum from CSR Limited...

Sugar falls below £100

BY OUR COMMODITIES STAFF

THE LONDON daily price for sugar fell below £100 a tonne for the first time since October 1973...

Dealers also thought the trade had over-reacted to forecasts of a big bees crop in the EEC...

Australian wool stocks decline

MELBOURNE, July 13.

AUSTRALIAN WOOL Corporation stocks on June 24 were 1.08m bales from 1.09m on May 27...

Shoppers' guide to metric egg

BY OUR COMMODITIES STAFF

ONE OF Britain's leading egg marketing groups, Goldenlay, believes it has found a simple way of getting shoppers accustomed to new EEC egg sizes...

Loss

Herefordshire and Worcester

the worst cherry loss in the country since 1973...

Grandiose

traps

Loss

Herefordshire and Worcester

the worst cherry loss in the country since 1973...

COMMODITY MARKET REPORTS AND PRICES

Table with columns for Commodity, Unit, Price, and Change. Includes items like Wheat, Coffee, Sugar, and various oils.

INDIAN IRON ORE OUTPUT RECORD

NEW DELHI, July 13.

India's iron ore production reached a record 43.4m tonnes in 1976-77...

SOYABEAN MEAL

Chicago, July 13.

Chicago soyabean meal prices were 116.33-117.25 for 48% protein...

U.S. Markets

NEW YORK, July 13.

Gold was firm in renewed Commission House buying...

COFFEE

London showed higher closing gradually through day...

Table with columns for Coffee type, Price, and Change. Includes Arabica and Robusta coffee.

COFFEES

London showed higher closing gradually through day...

Table with columns for Coffee type, Price, and Change. Includes Arabica and Robusta coffee.

SUGAR

LONDON DAILY PRICE (raw sugar)

Raw sugar prices were 23.00-23.50 for 96% sucrose...

GRAINS

LONDON FUTURES (WHEAT)-Market opened between 25-26 pence...

Table with columns for Grain type, Price, and Change. Includes Wheat and Corn.

SILVER

Silver was fixed 8 1/2 pence since higher for spot delivery...

Table with columns for Silver type, Price, and Change. Includes Spot and Futures silver.

WHEAT

London showed higher closing gradually through day...

Table with columns for Wheat type, Price, and Change. Includes Hard and Soft wheat.

WHEAT

London showed higher closing gradually through day...

Table with columns for Wheat type, Price, and Change. Includes Hard and Soft wheat.

WHEAT

London showed higher closing gradually through day...

Table with columns for Wheat type, Price, and Change. Includes Hard and Soft wheat.

COCOA

London showed higher closing gradually through day...

Table with columns for Cocoa type, Price, and Change. Includes Cocoa beans and liquor.

JUTE

London showed higher closing gradually through day...

Table with columns for Jute type, Price, and Change. Includes Jute and Hessian.

JUTE

London showed higher closing gradually through day...

Table with columns for Jute type, Price, and Change. Includes Jute and Hessian.

JUTE

London showed higher closing gradually through day...

Table with columns for Jute type, Price, and Change. Includes Jute and Hessian.

MEAT/VEGETABLES

London showed higher closing gradually through day...

Table with columns for Meat/Veg type, Price, and Change. Includes Beef, Pork, and various vegetables.

MEAT/VEGETABLES

London showed higher closing gradually through day...

Table with columns for Meat/Veg type, Price, and Change. Includes Beef, Pork, and various vegetables.

MEAT/VEGETABLES

London showed higher closing gradually through day...

Table with columns for Meat/Veg type, Price, and Change. Includes Beef, Pork, and various vegetables.

MEAT/VEGETABLES

London showed higher closing gradually through day...

Table with columns for Meat/Veg type, Price, and Change. Includes Beef, Pork, and various vegetables.

MEAT/VEGETABLES

London showed higher closing gradually through day...

Table with columns for Meat/Veg type, Price, and Change. Includes Beef, Pork, and various vegetables.

MEAT/VEGETABLES

London showed higher closing gradually through day...

Table with columns for Meat/Veg type, Price, and Change. Includes Beef, Pork, and various vegetables.

MEAT/VEGETABLES

London showed higher closing gradually through day...

Table with columns for Meat/Veg type, Price, and Change. Includes Beef, Pork, and various vegetables.

MEAT/VEGETABLES

London showed higher closing gradually through day...

Table with columns for Meat/Veg type, Price, and Change. Includes Beef, Pork, and various vegetables.

As a leading investor and analyst of industry... This is an inside view of your...

HITCHAI LTD. ORDINARY SHARES... Notice is hereby given that a dividend of 10% on the ordinary shares...

FINANCIAL TIMES... REUTER'S... DOW JONES... MOODY'S... Indonesia signs pact to promote tea...

U.S. Markets... Soyabeans easier as gold firms... COTTON... WOOL FUTURES... RUBBER... COFFEE... SUGAR... GRAINS... WHEAT... SILVER... COCOA... JUTE... MEAT/VEGETABLES... INDONESIA... UNITED NATIONS...

STOCK EXCHANGE REPORT

Firm again ahead of White Paper on pay and prices
Share index up 3.6 at 449.9 for two-day rise of 10.1

Account Dealing Dates
Option
First Declara- Last Account
tions Dealings Day
Jan 27 July 7 July 19

supply statistics, both due to-day, and the Government's promised White Paper on pay and prices; the last-named is expected within the next few days. The upward progress was gradual but with interruptions almost non-existent and quotations were at their highest in the after-hours' business. The only existing tap issue, Treasury 1 1/2 per cent, 1981, recovered after its recent lean to close 1/4 better at 27 in 230-pair form. Corporations were included in the upturn and established rises to the recently issued Netherlands 1 1/2 per cent, 1984, rallied 1/2 to 27 in 510-pair form.

spite the small increase in first-half profits, Nears Bros. declined 2 to 26p, while 3L L Meyer reacted 1/4 to 64p on further consideration of Tuesday's annual results. Similarly, International Timber ended a penny lower at 14p, after 103p. Heywood Williams reacted 1/2 to 51p and losses of 3 were sustained by Johnson-Richards Tiles, 200p, and Nottingham Brick, 170p. On the other hand, buyers in a thin market lifted Tuiel E S to 182p, while AP Cement improved 3 to 183p, after 184p. G Dew hardened 2 to 194p in front of to-day's in-

news that Marchwell had increased its holding in the company. Birmid Quacore were 3 better at 80p after the interim results. Butterfield-Harvey improved 1 1/2 more to 65p, not so much reflecting annual results, which were little altered from last year, as awaiting news of bid talks with Babcock and Wilcox, a penny better at 101p. P. E. Croxhead gained 3 to 65p ahead of next Tuesday's results. Dull spots included Fairair, which fell 1/2 to 73p on reports that large quantities of stock change hands outside of the market. A. Coheo

Reeve Angel up 5 more to 285p and IC Gas firmed 10 to 400p. Kelly Industries picked up 4 to 112p in response to the price proposals, while Siehe Gorman improved 2 more to 155p on the results. Occasional buying interest was shown in Royal Worcester, a dealer at 127p, and Cosalt, 3 to the good at 88p. On the other hand, Marling Industries reacted 1/2 to 161p on the profits setback and Anglo American Asphalt failed to benefit from the preliminary results, easing 3 to 72p. Negrelli and Zambra reacted 3 to 64p on the company's denial of a bid approach. Leading miscellaneous industrials made best way included Bowler, 180p, Reckitt and Colman, 472p, and Unilever, 494p, all of which were around and over 3 higher at 180p. Press comment also directed attention to BSG International which experienced a good two-day business before closing 1 1/2 harder at 252p. Lucas Industries rose 5 to 252p for a two-day gain of 11. Keuning moved up a penny further to 70p and Anglo and Overseas 3 higher at 180p. Press comment also directed attention to BSG International which experienced a good two-day business before closing 1 1/2 harder at 252p.

Northgate suspended
Dealing in shares of Northgate Exploration, Tara Exploration and Westfield Minerals were suspended at the outset of trading in Canadian markets and correspondingly heavy following news that Tara proposes to purchase Im. shares in Northgate at \$U.S.750 (\$38p per share, a move that will bring the holding in Northgate up to 22 per cent. Northgate was suspended at 110p, for a day's advance of 13. Tara were 1 harder at 114 1/2 prior to the suspension.

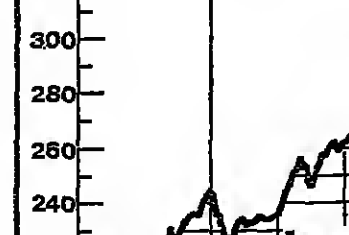
FINANCIAL TIMES STOCK INDICES
Table with columns for various indices: Government Sec., Fixed Interest, Industrial Ordinary, Gold Mines, Ord. Div. Yield, P/E Ratio, Dividend Yield, Equity Income, etc.

HIGHS AND LOWS
Table with columns: High, Low, High, Low, etc. for various stock categories.

ACTIVE STOCKS
Table with columns: Stock, Denomina- of, No. of, Closing, Change, 1977, etc.

NEW HIGHS AND LOWS FOR 1977
Table with columns: Stock, Denomina- of, No. of, Closing, Change, 1977, etc.

Home Banks firm
Fresh enthusiasm about the forthcoming interim dividend season imparted firmness to Home Banks, which were 1/2 better at 260p. Lloyds, 230p, both gained 1/2, while National Westminster improved 3 to 293p, while National Westminster improved 3 to 293p, while National Westminster improved 3 to 293p.



Insurance Brokers
E.T.-Actuaries Index
The graph shows a steady increase in the index value from approximately 200 in late 1976 to over 300 by mid-1977.

Motorists and Distributors saw more business than of late following Press comment. BRF rose 3 to 102p, after 101p. The 12:12 sentiment was still buoyant by bid hopes and the substantial recovery in trading. Fodens, a dull market since the abortive Rolls-Royce bid, rallied 2 to 50p on the preliminary figures. Speculative activity was a factor in Clayton Dewandra, 2 better at 108p, and Anglo and Overseas 3 higher at 180p. Press comment also directed attention to BSG International which experienced a good two-day business before closing 1 1/2 harder at 252p.

London-registered Financials also continued to gain ground, reflecting the better tone in Golds and the U.K. equity market. Selection Trust closed 16 up at 450p, Gold Fields 4 higher at 140p, while Charter and RTZ were both 1 harder at 125p and 205p respectively.

Leading equities started firmly but made little progress before dealing started in the Funds. Subsequently, a widespread rally improved, wobbled slightly following Mr. Frank Chapple's reported 'no chance of a phase change' remark, but firmed again to close at around the day's best. Up 3 points at 3 p.m., the FT 30-share index subsequently regained the 1 p.m. level to end 3 1/2 up for a two-day rise of 10.1 to 449.9. Trading news and potential and actual bids provided most of the day's features and the volume of business was again limited. Official markings bettered the recent daily average, but yesterday's 4.95 total was swollen by the 473 marks in LASMO Ordinary which started life yesterday. While stages of LASMO shares, which were ten times oversubscribed, were disappointed with the small opening premium of 7 on the issue price of 150p, the price was an improvement on some expectations which reacted even to a small discount in the event, the shares released by early sellers was well absorbed by institutional buyers and the price touched 17p before ending at 169p. Overall, rises across led falls in FT-quoted Industrials. All-share index put on 0.8 per cent more to 185.92.

terials results and P. C. Henderson gained 1 to 56p. GEC fluctuated narrowly before ending unaltered at 293p. Fisons rallied 3 to 343p and Britoil Trac gained 2 to 41p, but Allied Colloids, eased 2 to 224p in front of to-day's annual figures.

Reports of growing opposition to the proposed merger with Clarke Chapman prompted firmness in Reynolds Parsons, which moved up 1/2 to 176p. CC rose 3 to 77p. GEC met with buyers and put on 6 to 208. Ward and Goldstone put on 2 more to 108p, and Demca A gained 1 1/2 to 322p, the latter in a limited market. United Scientific, an old take-over favourite, advanced 8 to 178. Niman Industries hardened a penny to 38p following the chairman's encouraging remarks at the annual meeting.

Tate and Lyle took their recovery movement a stage further, rising 6 more to 266p, after 208p. Park Farms rose 5 to a 1977 peak of 258p on continuing speculation regarding the possibility of a bid from Thomas Borwick and Sons, while Rowatree Mackintosh finished 4 better at 272p following news of French expansion moves. Arama attracted renewed speculation, its price rising 1 1/2 to 180p, while Alpine Soft Drinks, 185p, and Associated Dairies, 202p, put on 4 and 5 respectively. J. B. Eastwood moved up 3 to 82p and Freshlake hardened 1/2 to 122p. In Supermarkets, Kwik saved 1/2 to 3 to 180p and Hillards were around that much dearer at 123p. Hotels and Caterers were noted for interest in Adia International, up 1 1/2 more at 40p, and Ladbrock, 4 to the good at 123p.

London-registered Financials also continued to gain ground, reflecting the better tone in Golds and the U.K. equity market. Selection Trust closed 16 up at 450p, Gold Fields 4 higher at 140p, while Charter and RTZ were both 1 harder at 125p and 205p respectively. Tins were mixed with sentiment adversely affected by the weakness in the metal price in Penang. Ager Hitam dropped 10 more to 320p on further consideration of the paper's output. Elsewhere, Silvermines were another 4 higher at a 1977 high of 48p following continued Irish support, while Hampton Areas hardened 2 to 81p in response to the higher profits.

Gifts enthused
The Government's apparent determination to keep a lid on wages enthused buyers of British Funds and, in a market now well supplied with stock, their demands brought gains to which were extended after the official close to a two-day gain of 13 points. Also making some impression of the firm undertone was the immminence of the June trade figures, the latest money

Following news of a 340p a share cash offer from Hawker Siddeley for L. Gardner dealings in the latter, which were suspended on Monday at 230p, were resumed yesterday at 12.50 p.m. at around 345p. Subsequent speculation that Rolls-Royce Motor (1 better at 69p), which holds a near 17 per cent stake in Gardner, may counten the bid took Gardner up to 370p. Hawker Siddeley closed unaltered on the day at 172p. Other Engineering leaders tended to recover earlier small losses. GKN finished 2 up at 344p, after 331p, and Tube unaltered at 414p, after 410p. Vickers improved 2 to 188p, while profit-taking caused a fair scattering of minor losses. De-

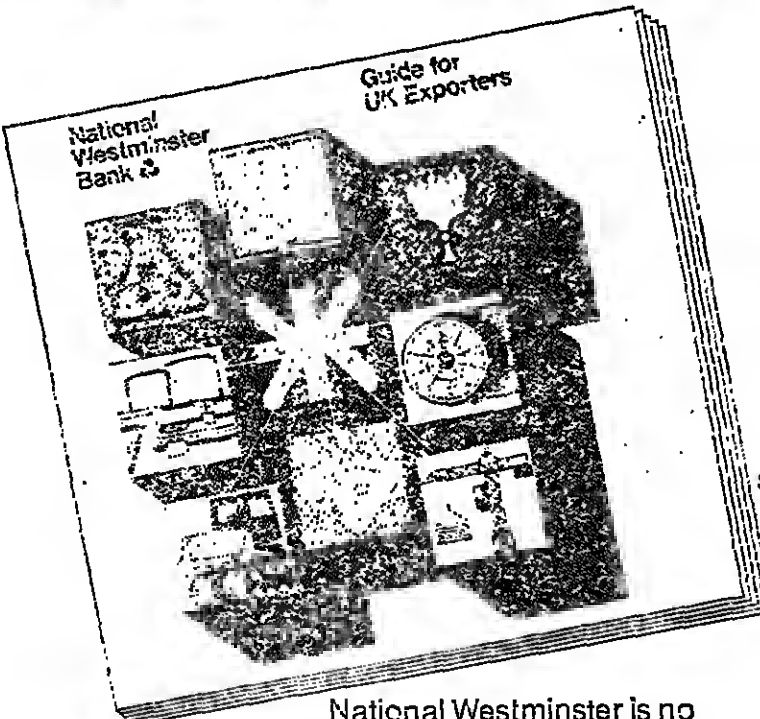
Engineering gained 4 to 82p on limited market pushed Whitman lost 10 to 140p. Mining Supplies wanted nearly 30p with a bid from Thomas Borwick and Sons, while Rowatree Mackintosh finished 4 better at 272p following news of French expansion moves. Arama attracted renewed speculation, its price rising 1 1/2 to 180p, while Alpine Soft Drinks, 185p, and Associated Dairies, 202p, put on 4 and 5 respectively. J. B. Eastwood moved up 3 to 82p and Freshlake hardened 1/2 to 122p. In Supermarkets, Kwik saved 1/2 to 3 to 180p and Hillards were around that much dearer at 123p. Hotels and Caterers were noted for interest in Adia International, up 1 1/2 more at 40p, and Ladbrock, 4 to the good at 123p.

BP case
The Oil leaders were overshadowed by the events in LASMO. Late U.S. selling left British Petroleum 4 cheaper at 916p, while Shell partly-ended 5 down at 370p in sympathy. Shell however edged up 4 to 562p. North Sea speculation was again evident in selected issues, Siebens (ILK), rising 10 more to 180p and Oil Tricore rose 6 to 182p. LASMO OPS, up 5 to 325p, reflected the better-than-expected premium on the Ordinary shares in yesterday's first-time dealings.

Selective demand was seen in the Property sector and Bradford House (1) rose 10 more to 135p, influenced by the recent annual report. Capital and Counties improved 1 to 38p and Avenue Close advanced 3 to 60p. Investment Trusts closed on a

Coltress jump
Already firm at 38p, Coltress Industries moved up further in late dealings to 62p, for a net rise of 11, on news of the bid approach. Gestetner responded to the increased demand, rising 1 1/2 to 132p, but disappointed with the preliminary statement left Polymark 6 cheaper at 40p, after 39p. Fresh demand in a limited market pushed Whitman

At NatWest, every year is Export Year.



National Westminster is no stranger to the vital business of exporting. Our involvement ranges from producing valuable "invisible earnings" through international banking and allied business to providing services to exporters.

Services such as finding markets abroad, assisting with documentation and Exchange Control, protection against foreign exchange losses, advice on payment, export finance, and so on.

These and many others are described in full in the second and updated edition of our booklet "Guide for UK Exporters", which draws on all the wealth of experience and expertise of one of the world's largest international banks.

It's essential reading for exporters. So send the coupon for your free copy.

Form with fields for Name, Position, Company, Address, and National Westminster Bank logo.

RECENT ISSUES

Table with columns: Issue, Price, etc. for various equities.

Table with columns: Issue, Price, etc. for fixed interest stocks.

Table with columns: Issue, Price, etc. for "RIGHTS" OFFERS.

OPTIONS TRADED

Table with columns: Issue, Price, etc. for various options.

FT-ACTUARIES SHARE INDICES

These indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Actuaries

Large table with columns: EQUITY GROUPS, Wed. July 13, 1977, etc. showing various stock indices.

FIXED INTEREST PRICE INDICES

Table with columns: British Government, 2-5-15 years, etc. showing interest rates.

AUTHORISED UNIT TRUSTS

OFFSHORE AND OVERSEAS FUNDS

Table of Authorised Unit Trusts with columns for fund name, manager, and performance data.

Table of Offshore and Overseas Funds with columns for fund name, manager, and performance data.

Table of Base Lending Rates for various banks and financial institutions.

Table of New Highs and Lows for various unit trusts.

INSURANCE, PROPERTY, BONDS

Table of Insurance, Property, and Bonds with columns for company name, policy type, and terms.

Table of Public Notices containing various legal and financial announcements.

Table of Shares and Laggards listing underperforming stocks.

Advertisement for Clive Investments Limited, including contact information and a Coral Index.

FT SHARE INFORMATION SERVICE

Telford
Modernising the Midlands
For full information, contact:
R. G. Tilmonth, B.Sc., Est. Man., Dip. TP.
A.R.I.C.S., Telford Development Corporation
Priestley Hall, Telford, Salop TF1 2NT
Telford 0525 613131

BRITISH FUNDS

Shorts (Lives up to Five Years)

Stock	High	Low	Close	Chg.
British Fund	100.00	99.50	99.75	+0.25
Investment	100.00	99.50	99.75	+0.25
Income	100.00	99.50	99.75	+0.25
Growth	100.00	99.50	99.75	+0.25
Global	100.00	99.50	99.75	+0.25
Equity	100.00	99.50	99.75	+0.25
Bond	100.00	99.50	99.75	+0.25
Mixed	100.00	99.50	99.75	+0.25
Money	100.00	99.50	99.75	+0.25
Property	100.00	99.50	99.75	+0.25
Commodity	100.00	99.50	99.75	+0.25
Art	100.00	99.50	99.75	+0.25
Energy	100.00	99.50	99.75	+0.25
Health	100.00	99.50	99.75	+0.25
Technology	100.00	99.50	99.75	+0.25
Transport	100.00	99.50	99.75	+0.25
Utilities	100.00	99.50	99.75	+0.25
Telecom	100.00	99.50	99.75	+0.25
Media	100.00	99.50	99.75	+0.25
Real Estate	100.00	99.50	99.75	+0.25
Infrastructure	100.00	99.50	99.75	+0.25
Environmental	100.00	99.50	99.75	+0.25
International	100.00	99.50	99.75	+0.25
Emerging Markets	100.00	99.50	99.75	+0.25
Developing Countries	100.00	99.50	99.75	+0.25
Asia	100.00	99.50	99.75	+0.25
Latin America	100.00	99.50	99.75	+0.25
Europe	100.00	99.50	99.75	+0.25
USA	100.00	99.50	99.75	+0.25
Japan	100.00	99.50	99.75	+0.25
Australia	100.00	99.50	99.75	+0.25
Canada	100.00	99.50	99.75	+0.25
South Africa	100.00	99.50	99.75	+0.25
Other	100.00	99.50	99.75	+0.25

INTERNATIONAL BANK

Corporation Loans

Stock	High	Low	Close	Chg.
International Bank	100.00	99.50	99.75	+0.25
Corporation Loans	100.00	99.50	99.75	+0.25
Global	100.00	99.50	99.75	+0.25
Equity	100.00	99.50	99.75	+0.25
Bond	100.00	99.50	99.75	+0.25
Mixed	100.00	99.50	99.75	+0.25
Money	100.00	99.50	99.75	+0.25
Property	100.00	99.50	99.75	+0.25
Commodity	100.00	99.50	99.75	+0.25
Art	100.00	99.50	99.75	+0.25
Energy	100.00	99.50	99.75	+0.25
Health	100.00	99.50	99.75	+0.25
Technology	100.00	99.50	99.75	+0.25
Transport	100.00	99.50	99.75	+0.25
Utilities	100.00	99.50	99.75	+0.25
Telecom	100.00	99.50	99.75	+0.25
Media	100.00	99.50	99.75	+0.25
Real Estate	100.00	99.50	99.75	+0.25
Infrastructure	100.00	99.50	99.75	+0.25
Environmental	100.00	99.50	99.75	+0.25
International	100.00	99.50	99.75	+0.25
Emerging Markets	100.00	99.50	99.75	+0.25
Developing Countries	100.00	99.50	99.75	+0.25
Asia	100.00	99.50	99.75	+0.25
Latin America	100.00	99.50	99.75	+0.25
Europe	100.00	99.50	99.75	+0.25
USA	100.00	99.50	99.75	+0.25
Japan	100.00	99.50	99.75	+0.25
Australia	100.00	99.50	99.75	+0.25
Canada	100.00	99.50	99.75	+0.25
South Africa	100.00	99.50	99.75	+0.25
Other	100.00	99.50	99.75	+0.25

COMMONWEALTH & AFRICAN LOANS

Stock	High	Low	Close	Chg.
Commonwealth & African Loans	100.00	99.50	99.75	+0.25
Global	100.00	99.50	99.75	+0.25
Equity	100.00	99.50	99.75	+0.25
Bond	100.00	99.50	99.75	+0.25
Mixed	100.00	99.50	99.75	+0.25
Money	100.00	99.50	99.75	+0.25
Property	100.00	99.50	99.75	+0.25
Commodity	100.00	99.50	99.75	+0.25
Art	100.00	99.50	99.75	+0.25
Energy	100.00	99.50	99.75	+0.25
Health	100.00	99.50	99.75	+0.25
Technology	100.00	99.50	99.75	+0.25
Transport	100.00	99.50	99.75	+0.25
Utilities	100.00	99.50	99.75	+0.25
Telecom	100.00	99.50	99.75	+0.25
Media	100.00	99.50	99.75	+0.25
Real Estate	100.00	99.50	99.75	+0.25
Infrastructure	100.00	99.50	99.75	+0.25
Environmental	100.00	99.50	99.75	+0.25
International	100.00	99.50	99.75	+0.25
Emerging Markets	100.00	99.50	99.75	+0.25
Developing Countries	100.00	99.50	99.75	+0.25
Asia	100.00	99.50	99.75	+0.25
Latin America	100.00	99.50	99.75	+0.25
Europe	100.00	99.50	99.75	+0.25
USA	100.00	99.50	99.75	+0.25
Japan	100.00	99.50	99.75	+0.25
Australia	100.00	99.50	99.75	+0.25
Canada	100.00	99.50	99.75	+0.25
South Africa	100.00	99.50	99.75	+0.25
Other	100.00	99.50	99.75	+0.25

LOANS (Miscellaneous)

Stock	High	Low	Close	Chg.
Loans (Miscellaneous)	100.00	99.50	99.75	+0.25
Global	100.00	99.50	99.75	+0.25
Equity	100.00	99.50	99.75	+0.25
Bond	100.00	99.50	99.75	+0.25
Mixed	100.00	99.50	99.75	+0.25
Money	100.00	99.50	99.75	+0.25
Property	100.00	99.50	99.75	+0.25
Commodity	100.00	99.50	99.75	+0.25
Art	100.00	99.50	99.75	+0.25
Energy	100.00	99.50	99.75	+0.25
Health	100.00	99.50	99.75	+0.25
Technology	100.00	99.50	99.75	+0.25
Transport	100.00	99.50	99.75	+0.25
Utilities	100.00	99.50	99.75	+0.25
Telecom	100.00	99.50	99.75	+0.25
Media	100.00	99.50	99.75	+0.25
Real Estate	100.00	99.50	99.75	+0.25
Infrastructure	100.00	99.50	99.75	+0.25
Environmental	100.00	99.50	99.75	+0.25
International	100.00	99.50	99.75	+0.25
Emerging Markets	100.00	99.50	99.75	+0.25
Developing Countries	100.00	99.50	99.75	+0.25
Asia	100.00	99.50	99.75	+0.25
Latin America	100.00	99.50	99.75	+0.25
Europe	100.00	99.50	99.75	+0.25
USA	100.00	99.50	99.75	+0.25
Japan	100.00	99.50	99.75	+0.25
Australia	100.00	99.50	99.75	+0.25
Canada	100.00	99.50	99.75	+0.25
South Africa	100.00	99.50	99.75	+0.25
Other	100.00	99.50	99.75	+0.25

FOREIGN BONDS & RAILS

Stock	High	Low	Close	Chg.
Foreign Bonds & Rails	100.00	99.50	99.75	+0.25
Global	100.00	99.50	99.75	+0.25
Equity	100.00	99.50	99.75	+0.25
Bond	100.00	99.50	99.75	+0.25
Mixed	100.00	99.50	99.75	+0.25
Money	100.00	99.50	99.75	+0.25
Property	100.00	99.50	99.75	+0.25
Commodity	100.00	99.50	99.75	+0.25
Art	100.00	99.50	99.75	+0.25
Energy	100.00	99.50	99.75	+0.25
Health	100.00	99.50	99.75	+0.25
Technology	100.00	99.50	99.75	+0.25
Transport	100.00	99.50	99.75	+0.25
Utilities	100.00	99.50	99.75	+0.25
Telecom	100.00	99.50	99.75	+0.25
Media	100.00	99.50	99.75	+0.25
Real Estate	100.00	99.50	99.75	+0.25
Infrastructure	100.00	99.50	99.75	+0.25
Environmental	100.00	99.50	99.75	+0.25
International	100.00	99.50	99.75	+0.25
Emerging Markets	100.00	99.50	99.75	+0.25
Developing Countries	100.00	99.50	99.75	+0.25
Asia	100.00	99.50	99.75	+0.25
Latin America	100.00	99.50	99.75	+0.25
Europe	100.00	99.50	99.75	+0.25
USA	100.00	99.50	99.75	+0.25
Japan	100.00	99.50	99.75	+0.25
Australia	100.00	99.50	99.75	+0.25
Canada	100.00	99.50	99.75	+0.25
South Africa	100.00	99.50	99.75	+0.25
Other	100.00	99.50	99.75	+0.25

AMERICANS

Stock	High	Low	Close	Chg.
Americans	100.00	99.50	99.75	+0.25
Global	100.00	99.50	99.75	+0.25
Equity	100.00	99.50	99.75	+0.25
Bond	100.00	99.50	99.75	+0.25
Mixed	100.00	99.50	99.75	+0.25
Money	100.00	99.50	99.75	+0.25
Property	100.00	99.50	99.75	+0.25
Commodity	100.00	99.50	99.75	+0.25
Art	100.00	99.50	99.75	+0.25
Energy	100.00	99.50	99.75	+0.25
Health	100.00	99.50	99.75	+0.25
Technology	100.00	99.50	99.75	+0.25
Transport	100.00	99.50	99.75	+0.25
Utilities	100.00	99.50	99.75	+0.25
Telecom	100.00	99.50	99.75	+0.25
Media	100.00	99.50	99.75	+0.25
Real Estate	100.00	99.50	99.75	+0.25
Infrastructure	100.00	99.50	99.75	+0.25
Environmental	100.00	99.50	99.75	+0.25
International	100.00	99.50	99.75	+0.25
Emerging Markets	100.00	99.50	99.75	+0.25
Developing Countries	100.00	99.50	99.75	+0.25
Asia	100.00	99.50	99.75	+0.25
Latin America	100.00	99.50	99.75	+0.25
Europe	100.00	99.50	99.75	+0.25
USA	100.00	99.50	99.75	+0.25
Japan	100.00	99.50	99.75	+0.25
Australia	100.00	99.50	99.75	+0.25
Canada	100.00	99.50	99.75	+0.25
South Africa	100.00	99.50	99.75	+0.25
Other	100.00	99.50	99.75	+0.25

BEERS, WINES AND SPIRITS

Stock	High	Low	Close	Chg.
Beers, Wines and Spirits	100.00	99.50	99.75	+0.25
Global	100.00	99.50	99.75	+0.25
Equity	100.00	99.50	99.75	+0.25
Bond	100.00	99.50	99.75	+0.25
Mixed	100.00	99.50	99.75	+0.25
Money	100.00	99.50	99.75	+0.25
Property	100.00	99.50	99.75	+0.25
Commodity	100.00	99.50	99.75	+0.25
Art	100.00	99.50	99.75	+0.25
Energy	100.00	99.50	99.75	+0.25
Health	100.00	99.50	99.75	+0.25
Technology	100.00	99.50	99.75	+0.25
Transport	100.00	99.50	99.75	+0.25
Utilities	100.00	99.50	99.75	+0.25
Telecom	100.00	99.50	99.75	+0.25
Media	100.00	99.50	99.75	+0.25
Real Estate	100.00	99.50	99.75	+0.25
Infrastructure	100.00	99.50	99.75	+0.25
Environmental	100.00	99.50	99.75	+0.25
International	100.00	99.50	99.75	+0.25
Emerging Markets	100.00	99.50	99.75	+0.25
Developing Countries	100.00	99.50	99.75	+0.25
Asia	100.00	99.50	99.75	+0.25
Latin America	100.00	99.50	99.75	+0.25
Europe	100.00	99.50	99.75	+0.25
USA	10			

هكمان الاصل

INDUSTRIALS - Continued

Table of industrial stocks including companies like British Petroleum, Shell, and ICI, with columns for stock price, high, low, and change.

MOTORS, AIRCRAFT TRADES

Table of motor and aircraft trade stocks including companies like British Leyland, Rover, and BSA.

PROPERTY - Continued

Table of property stocks including companies like British Land, Anglo-Continental, and Anglo-Scottish.

TRUSTS - Continued

Table of trust stocks including companies like Anglo-Scottish, Anglo-Continental, and Anglo-Scottish.

TRUSTS - Continued

Table of trust stocks including companies like Anglo-Scottish, Anglo-Continental, and Anglo-Scottish.

NEW JAPAN SECURITIES Tokyo, Japan. London Branch Frankfurt Office. Tel. 248-6681 Tel. 500929

MINES - Continued. Table of mining stocks including Anglo-American, Anglo-Continental, and Anglo-Scottish.

AUSTRALIAN. Table of Australian stocks including Anglo-Continental, Anglo-Scottish, and Anglo-Scottish.

TINS. Table of tin stocks including Anglo-Continental, Anglo-Scottish, and Anglo-Scottish.

MISCELLANEOUS. Table of miscellaneous stocks including Anglo-Continental, Anglo-Scottish, and Anglo-Scottish.

NOTES. Text providing information about stock prices, dividends, and company announcements.

This service is available to every Company dealt in on the Stock Exchange through the United Kingdom for a fee of £400 per annum for each security.

REGIONAL MARKETS. Table of regional market data including London, Edinburgh, and Glasgow.

IRISH. Table of Irish stocks including Anglo-Continental, Anglo-Scottish, and Anglo-Scottish.

OPTIONS. Table of options data including 3-month call rates for various stocks.

Commercial Vehicle

Table of commercial vehicle stocks including companies like British Leyland, Rover, and BSA.

Components

Table of component stocks including companies like British Leyland, Rover, and BSA.

Garages and Distributors

Table of garage and distributor stocks including companies like British Leyland, Rover, and BSA.

NEWSPAPERS, PUBLISHERS

Table of newspaper and publisher stocks including companies like British Leyland, Rover, and BSA.

PROPERTY

Table of property stocks including companies like British Land, Anglo-Continental, and Anglo-Scottish.

SHIPBUILDERS, REPAIRERS

Table of shipbuilder and repairer stocks including companies like British Leyland, Rover, and BSA.

SHIPPING

Table of shipping stocks including companies like British Leyland, Rover, and BSA.

SHOES AND LEATHER

Table of shoe and leather stocks including companies like British Leyland, Rover, and BSA.

SOUTH AFRICANS

Table of South African stocks including companies like Anglo-Continental, Anglo-Scottish, and Anglo-Scottish.

TEXTILES

Table of textile stocks including companies like Anglo-Continental, Anglo-Scottish, and Anglo-Scottish.

TOBACCO

Table of tobacco stocks including companies like Anglo-Continental, Anglo-Scottish, and Anglo-Scottish.

TRUSTS, FINANCE, LAND

Table of trust, finance, and land stocks including companies like Anglo-Continental, Anglo-Scottish, and Anglo-Scottish.

TRUSTS - Continued

Table of trust stocks including companies like Anglo-Scottish, Anglo-Continental, and Anglo-Scottish.

DIAMOND AND PLATINUM

Table of diamond and platinum stocks including companies like Anglo-Continental, Anglo-Scottish, and Anglo-Scottish.

TRUSTS - Continued

Table of trust stocks including companies like Anglo-Scottish, Anglo-Continental, and Anglo-Scottish.

OVERSEAS TRADERS

Table of overseas trader stocks including companies like Anglo-Continental, Anglo-Scottish, and Anglo-Scottish.

RUBBERS AND SISALS

Table of rubber and sisal stocks including companies like Anglo-Continental, Anglo-Scottish, and Anglo-Scottish.

TEAS

Table of tea stocks including companies like Anglo-Continental, Anglo-Scottish, and Anglo-Scottish.

MINES

Table of mining stocks including Anglo-Continental, Anglo-Scottish, and Anglo-Scottish.

CENTRAL RAND

Table of central rand stocks including Anglo-Continental, Anglo-Scottish, and Anglo-Scottish.

EASTERN RAND

Table of eastern rand stocks including Anglo-Continental, Anglo-Scottish, and Anglo-Scottish.

FAR WEST RAND

Table of far west rand stocks including Anglo-Continental, Anglo-Scottish, and Anglo-Scottish.

SURANCE

Table of insurance stocks including companies like Anglo-Continental, Anglo-Scottish, and Anglo-Scottish.

Relative Strength

Relative strength is the difference between a good and a bad investment. We supply a strength chart for Britain's leading companies, plus all the other price information necessary for successful investment.

Write or telephone for a free sample.

CHART ANALYSIS LIMITED
194-200 Bishopsgate, London, EC2M 4PL
Tel: 01-253 4478

BRICK IS BEAUTIFUL AND A LOT MORE, BESIDES.

The Brick Development Association
15 Gresham Street, London EC2A 3LE
Telephone 01-405 4021/4

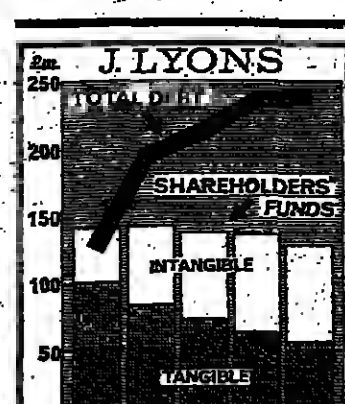
THE LEX COLUMN

The lager gap at S & N Breweries

The City is facing up to the apparent breakdown of the Government's pay strategy with increasing confidence. The fear had been that too much would be given to the unions in terms of price controls and tax hand-outs in exchange for a leaky pay deal. But now that the possibility of any kind of workable deal seems to be disappearing, the view is that the Government will have to rely on tight monetary policy and rigid cash limits in the public sector.

That would go down well in the stock market—and it will be some months before the Government's resolve is really tested in the pay arena.

Index rose 3.6 to 449.9



Trust last year) and there also appears to have been some pressure from the controlling Bulmer family (with a 62 per cent stake) to realise part of their capital without diluting their control.

The proposed switch into Bulmer Holdings (8 Ordinary and 1 Preference share in Holdings for every 8 Bulmer Ordinary) neatly solves all these requirements at one go. But the combination of special circumstances tends to reduce the possibility of this being a precedent which will be followed by many other companies; restructuring would more typically have been carried out internally.

The trading background meanwhile, is now rather exciting, with volume down in the first two months of the current year, while market moves in Germany and the US—where Bulmer is testing "London Dry" cider—will be drag on earnings, at least in the time being. Still, the recent hot weather in the US has boosted demand again, and prospects for the pectin products, are bright.

Scottish & Newcastle

The stock market is betting that the brewers will accept a six month "voluntary" price freeze when the Price Commission produces its report on the industry around the end of this month. This may be near the mark, judging by the way that price increases are now being hurried through. But Scottish & Newcastle, which produced its preliminary results yesterday, says that arms will have to be twisted very hard if such a freeze is to be accepted. It points to a substantial increase in planned capital spending this year—£40m, against £24m in 1976-77 and £12m a year earlier—as a reason for permitting the group to strengthen its cash resources.

The spending certainly seems to be necessary. In the 1960s and early 1970s, S & N expanded rapidly on the back of increasing sales to the free trade and the swing to keg beer. But it fell behind the competition in developing lager, which has become the main growth story in recent years. And "shortcomings" have developed in its production and packaging arrangements.

The result is that its sales volume fell marginally during the year ending in May, in contrast with an overall rise of about 1 per cent for the industry. And its profits rose by only just over a tenth in the second half of the year, roughly half the average gain shown by the competitive in the same period. Profits for the year are up from £30.9m to £35.1m, a performance which had been well discounted in the market.

S & N is now opening heavily on new lager capacity, and although it intends to remain within the Harp consortium its own brand will be coming South of the Border over of Tobacco Securities

J. Lyons

Despite its programme retrenchment J. Lyons end 1976-77 with marginally higher debt of £225m, reflecting a weakness of sterling. Still, sounding the message loud clear that trading profits—£38m last year, on sales of £78m—should stage a calculated turnover of £100m.

In the U.K. the cake and operations are performing well. There are good prospects for the Continental meat business. The group is expected to stage a round, albeit on a small scale. But the group is exposed to some risk notably the tea and coffee markets where falling commodity prices would bring relief on the working front but could also test the group's judgment if it is to stock losses.

Further, disposals will be limited to "peripheral" businesses, so Lyons will have to struggle with its debt for some time yet. Although it has improved its current matching, it is taking the caution of seeking a change in the Articles to give the degree of flexibility in buying limits as is incorporated in its loan instruments.

H. P. Bulmer

The market might have been disappointed at Bulmer only just achieving—at £3.89m—its promised 50 per cent pre-tax profits improvement (the second half was up less than a tenth). But the results statement incorporates a surprise package. The group is changing to a new holding company structure via a route which gives it dividend freedom for two years and allows the prospective yield to be bumped up from 2.3 to effectively 6.8 per cent. The news sent the shares 10p higher to 175p.

Although the dividend manoeuvre catches the eye, Bulmer would scarcely have gone to such lengths for this reason alone: that dividend crops now have a strictly limited life expectancy. The group has been looking for a way of setting up a holding company structure for management reasons (paralleling, perhaps, the enormously larger BAT takeover of Tobacco Securities).

Building society receipts hit by BP share offer

BY MICHAEL CASSELL, BUILDING CORRESPONDENT

BUILDING SOCIETY receipts fell by over £200m last month, although mortgage finance is expected to remain plentiful for the remainder of the year.

Last month, the societies took in £1,069m, while withdrawals reached £1,269m. At the same time, mortgage advances reached £1,518m, and the societies also promised to lend an additional £667m to house purchasers. At the end of June, the movement was committed to making loans of £1,169m.

The societies' situation is now in stark contrast to the position in which they found themselves at the start of this year. At that time receipts fell to well under £100m, and there were chances of a further increase in the current 12.5 per cent mortgage rate.

In the event, the movement's competitive position improved dramatically, enabling the societies to implement two reductions in interest rates whilst still maintaining a high inflow of funds.

Editorial Comment: Page 20

BUILDING SOCIETIES

Net Receipts 1977

Month	£m.
January	89
February	201
March	302
April	475
May	511
June	304

RTZ executives may be offered immunity

BY JUREK MARTIN, U.S. EDITOR

WASHINGTON, July 13.

SENIOR executives of Rio Tinto Zinc may be offered immunity from criminal prosecution in the U.S. if they agree to testify in the uranium cartel case.

Whether or not this offer is made rests in the hands of Judge Robert Merges, of the Federal District Court in Richmond, Virginia, under whose jurisdiction the case falls.

The judge's clerk declined to speculate this morning on what his decision would be.

It was Judge Merges who held almost unprecedented hearings in London last month, during which Sir Mark Turner, chairman, Lord Shackleton of Burley, and five other senior RTZ executives "took the Fifth Amendment."

These hearings were made possible by a ruling by the British Court of Appeals, under the Fifth Amendment, a well-known device in court cases, an individual may decline to testify on the grounds that he may incriminate himself.

As a result, Judge Merges was obliged to leave London without having gleaned information that might have been valuable in the case he is hearing—brought by several utility companies against Westinghouse Corporation for allegedly having defaulted on contracted deliveries of uranium.

The idea to offer the RTZ executives immunity appears to have come from inside the Justice Department.

It so happens that a grand jury in Washington is investigating the whole alleged uranium cartel affair (complicated separately from the Westinghouse case under Judge Merges). RTZ has been accused by Westinghouse of having been an integral member.

Grand jury investigations often lead to criminal prosecutions and Justice Department attorneys are known, naturally, to be interested in obtaining evidence from RTZ.

So, too, are lawyers for Westinghouse, who contend that the cartel squeezed the company out of the uranium market, as well as increasing the global price of the product.

As a result, yesterday the Attorney-General, Mr. Griffin Bell, issued what are known as the "proper papers" for a grant of immunity under the terms of the omnibus Crime Control and Safe Streets Act.

The purpose of a grant of immunity under this statute, a Justice Department spokesman said this morning, is to remove entirely the need for, or make it more difficult for, someone to plead the Fifth Amendment.

However, in the last analysis, it does not prevent someone from continuing to plead the Fifth.

In spite of the Justice Department initiative, however, final discretion at the moment still rests with Judge Merges.

It has been suggested that at an earlier stage, the judge had considered the immunity route, but had rejected that for the time being.

An adjudication from him could come as early as next week.

Opposition to Saudi plan for oil price freeze

BY RICHARD JOHNS, MIDDLE EAST EDITOR

STOCKHOLM, July 13.

SEVERAL OIL producers soon, delegates from the other threatened to oppose Saudi Arabia's plan for a freeze in the oil price next year. As the Ministerial conference of the Organisation of Petroleum Exporting Countries ended here today.

Mr. Izzeddin Mabrouk, Libyan Minister of Oil, indicated his country would be looking for a rise of 10 per cent from the beginning of 1978.

He warned there would be a "repeat of Doha unless the Saudis changed their attitude, referring to last December's bitter meeting which resulted in the six-month price split.

The pre-conference agreement of Saudi Arabia and the United Arab Emirates to realign their prices with the majority at 10 per cent above the 1976 level may have brought only a short-term truce—although a general consensus exists that OPEC should not be divided again on this issue.

Apparently anxious not to upset the restored unity and also aware of reservations about the ability of the market to support another increment so soon, delegates from the other traditionally militant members were less outspoken than Mr. Mabrouk.

But Iraq and Algeria said some upward adjustment would be necessary to take account of inflation.

To-night Dr. Jamshid Amouzgan, chief of Iranian delegate, said that no possibility, including a price freeze, could be ruled out at the next OPEC conference. Iran would "go along with the others."

Commenting on the results of Saudi Arabia's unsuccessful campaign to force other producers' prices down in the first half of the year, Sheikh Ahmed Zaki Yamani said the Kingdom had taught members that it could not be taken for granted.

The Saudi Oil Minister revealed his Government was not lowering the ceiling on its output from the fields of the Arabian American oil company (ARAMCO) of 10m. barrels a day to which it was raised at the beginning of this year.

In practice, however, he believed that production would not exceed 8.5m. barrels a day in the first 24-25 days of June. Saudi oil at its old premium price was being produced at slightly more than 9m. b/d, Sheikh Yamani said.

Unresolved at the end of this conference was the question of the disparities in the prices of the heavier rival crudes. Once again, OPEC has left it to the producers most immediately involved—Saudi Arabia, Iran, Kuwait, Iraq and Venezuela—to settle differentials for the next six months or so ad hoc basis.

Particularly hard hit because of the relatively high price of its oil is Kuwait (with one of the lighter varieties to offer) whose production has slipped to 1.3m. b/d—barely enough to produce the desalinated water and electricity required by the state.

Saudi Arabia remains adamant that Iraq and Kuwait should bring down the prices of their heavy crudes to its own level.

Although Dr. Amouzgan suggested the problem might be overcome by natural commercial forces of the market.

Gulf and Texaco plan joint refinery unit

BY RAY DAFTER, ENERGY CORRESPONDENT

GULF OIL and Texaco plan to build a £350m. oil refinery unit in South Wales.

The plant, which will be used to convert fuel oil into petrol, will be among the most ambitious projects of its type undertaken to the U.K. oil industry.

It will expand the capability of two separate refineries: Gulf's 5m. tonnes a year plant at Milford Haven and Texaco's 9m. tonnes a year refinery at Pembroke. The planned 65,000 barrels a day catalytic cracking unit will be jointly owned, with Texaco investing the major share—about 65 per cent.

Gulf said yesterday that the two companies had conditionally agreed to the construction of the cracker in the Pembroke-Milford Haven area. It would be necessary to make appropriate financial arrangements and to obtain assurances that planning consent and regional development grants would be received.

The project is by far the most expensive scheme being planned or implemented within the U.K. oil refinery industry. Cromarty Petroleum's proposed new refinery, storage base and marine terminal, Nigg, Scotland, is not expected to cost more than £200m, to £250m. Occidental's proposed refinery and catalytic cracking unit on Canvey Island could cost a similar amount.

There are now refinery projects well over £1m. planned in hand including a £100m. cracker unit at Mobil's Coryton refinery add a £70m. £80m. cracker unit planned by Total and Petrofina at Lindsey. British Petroleum and Shell are also installing equipment to upgrade oil products.

Oil companies are making this move because they see little growth prospects for heavy fuel oil which has traditionally accounted for much of the British refinery industry's output. They believe that by the early 1980s there will be a need for a substantial increase in capacity for making petrol and chemical feedstocks, although the present demand for these products remains weak.

Government again delays Drax-B go-ahead

BY RICHARD EVANS, LOBBY EDITOR

MAJOR DECISIONS on an order for the £600m. Drax-B power station in Yorkshire appear to have been postponed by the Government yet again, following a meeting yesterday of the Cabinet's Energy Committee.

The Committee, under the chairmanship of the Prime Minister had been expected by MPs with constituency interests in the order to come in a decision. But after the meeting, there was a clampdown of information.

Extensive redundancies are forecast in north-east England if C. A. Parsons do not receive an early order for turbine generators for the power station, which the Central Electricity Generating Board says it does not yet need.

Mr. Callaghan appears to be maintaining his support for Mr. Eric Varley, Industry Secretary, who believes the turbine generator manufacturing industry must be rationalised before the Drax-B order can be placed.

Suspicion is growing among north east Labour MPs that the Government is delaying the order to force rationalisation on the industry.

C. A. Parsons, the Tyneside subsidiary of Revolver-Parsons, are holding out against a complete take-over by Sir Arnold Weinstock's GEC.

One theory at Westminster last night was that the order may be put out to tender.

Hattersley calls for moderation on wages

By Eleanor Goodman, Consumer Affairs Correspondent

MR. ROY HATTERSLEY, the Prices Secretary and a key Minister in the Government's negotiations with the TUC, appealed yesterday for moderation in wage demands while effectively agreeing that there was little chance of another round of voluntary wage restraint.

He would be disappointed if agreement was not reached, but if not the same overall effect could be obtained by a common sense of the union members and the undoubted responsibility of those who lead them.

He had no doubt that those who would be responsible for settlements would recognise what part their own agreements played in success on prices. Without that success money wages, no matter how high, would produce only "spurious advantages."

Mr. Hattersley, at a food industry conference in London, held out the prospect of controlling inflation as nearer than ever before.

"We can grasp it, or by losing our nerve and changing our policies when success is so near as our desire for settlements that have been built up since 1975," he said.

One element in these policies was a pattern of wage negotiations consistent with the economic position, settlements which neither caused inflation at home nor undermined competitors abroad.

A third wage round, looser but not in every way dissimilar to that of 1975-76, was the most effective way of ensuring the standard of living of working people was preserved.

Mr. Hattersley reassured the food industry that it would not be selected for special scrutiny under the new price investigations.

Canadian bid starts battle for Dolan

BY MARGARET REID

A TAKE-OVER battle between two overseas rivals for Dolan Packaging broke out unexpectedly last night when Canadian Overseas Packaging Industries bid £18.5m. to top an existing £14.5m. offer from the State-owned Swedish ASSI, which has the backing of the Dolan Board.

The future ownership of Dolan, one of the few remaining independent corrugated case manufacturers, was thrown into new doubt by yesterday's events, after it had previously appeared that victory was assured for the ASSI bid.

The new uncertainty arose, and the way was paved for the Canadian offer, when Hambros Bank, ASSI's advisers, made it clear that a 9.26 per cent stake in Dolan, which the share quotation was not committed to, was the bid.

This statement was made at the request of the Bank of England and the City Take-over Panel. It followed an announcement some days ago that the holdings in Dolan by the ASSI group and the Hambros group together with irrevocable acceptance of the Swedish group's bid, totalled 50.1 per cent of Dolan, just a majority.

Last night County Bank, Dolan's advisers, said that it and the Board had not yet had a chance to consider together the two conflicting offers, both in cash. Of 189p a share from ASSI, Aktielog Skanska Skandinaviska and 180p from Canadian Overseas Packaging.

The matter would be reviewed as soon as possible and shareholders would be further advised. Yesterday Dolan shares were up to 189p when the share quotation was temporarily suspended, pending announcement of the new developments.

Slow progress in Leyland talks on pay parity deal

BY OUR OWN CORRESPONDENT

PROGRESS by Leyland Cars Board and the Department of Industry towards the fundamental reform of industrial relations demanded by the Government has been mixed.

Details of the agreement achieved so far by the manual employees' working party, set up in the wake of the damaging "homesteaders" dispute, will be prepared to the company's 200 shareholders next month.

Mr. Thomas Hawley, national secretary for the automotive industry, said the Transport and General Workers' Union maintained the high that progress in the talks ought to be sufficient to inspire confidence in Leyland Cars by the National Enterprise

The unions have already committed themselves in principle to the phased introduction of the bargaining reforms outlined in the original Ryder rescue programme, but there is a wide area of disagreement about the terms on which concessions should be made.

A contentious issue for the working party is the extent to which employees should move away from the traditional plant level bargaining towards company-wide wage agreements.

While advocating parity of pay between plants, shop stewards are divided about the mechanism to achieve it.

FACTS FROM LOB

We have all the facts on 162 towns

LOB can provide information on population, office development, staff, housing, and transport. These and many other facts you need are in our extensive files on 162 major towns throughout the country.

If your firm needs to move some or all of your office staff, we can advise where alternative locations may offer advantages such as cheaper rents, easier recruitment and so on.

Get the facts from LOB. They don't cost a penny and could save you time as well as money.

27 Chancery Lane, London WC2A 1NS. Telephone: 01-405 2921.

LOCATION OFFICES BUREAU

Set up by Parliament to give free advice to London Business Management on moving office jobs

Registered at the Post Office. Printed by H. Clemens Press for and published by Financial Times Ltd, Bracken House, Cannon Street, London EC4A 3DF. © The Financial Times Ltd 1977.